

AMENDED IN ASSEMBLY SEPTEMBER 6, 2013

AMENDED IN ASSEMBLY AUGUST 28, 2013

SENATE BILL

No. 97

Introduced by Committee on Budget and Fiscal Review

January 10, 2013

An act to amend Sections 1240, 1622, 2574, 2575, 2576, 8150.5, 8151, 8152, 8154, 8155, 35736.5, 41365, 41367, 42127, 42238.01, 42238.02, 42238.025, 42238.03, 42238.05, ~~42238.20~~, 42283, 42284, 42285, ~~42285.5~~, 42287, 46200, 46201, 46202, 46208, 47612, 47614.5, 47631, 48664, 49085, 52060, 52061, 52062, ~~52064~~, 52066, 52068, 52070, 52070.5, 52074, 56836.11, 70022, and 84321.6 of, to amend and repeal Sections 2558 and 47633 of, and to repeal Sections 1982, ~~42238.20, 46610, 46611~~, 42285.5, and 48667 of, the Education Code, to amend Section 17581.7 of the Government Code, to amend Sections 26225, 26233, and 26235 of the Public Resources Code, to amend Section 115 of Chapter 47 of the Statutes of 2013, to amend Section 83 of Chapter 48 of the Statutes of 2013, and to amend ~~Item~~ *Items* 6110-001-0001 *and* 6110-280-0001 of Section 2.00 of the Budget Act of 2013, relating to education finance, and making an appropriation therefor, to take effect immediately, bill related to the budget.

LEGISLATIVE COUNSEL'S DIGEST

SB 97, as amended, Committee on Budget and Fiscal Review. School finance: local control funding formula.

(1) Existing law provides for the attendance of apprentices at high schools, unified school districts, regional occupational centers or programs, community colleges, and adult schools under vocational education ~~programs~~ *program* standards that are established with the participation of the State Department of Education, the Chancellor of

the California Community Colleges, and the Division of Apprenticeship Standards of the Department of Industrial Relations.

Existing law establishes standards for the provision of state funding and reimbursements for these programs at high schools, unified school districts, regional occupational centers or programs, and adult schools separate from these programs at community colleges. Existing law requires, by March 15, 2014, the Chancellor of the California Community Colleges and the Division of Apprenticeship Standards of the Department of Industrial Relations, with equal participation by specified entities, to develop common administrative practices and treatment for costs and services, as well as other policies related to apprenticeship programs.

This bill would amend these provisions so that they refer to local educational agencies, as defined to mean a school district or county office of education, rather than to high schools, unified school districts, regional occupational centers or programs, and adult schools. The bill would change the deadline for the development of common administrative practices and treatment of costs and services by the Chancellor of the California Community Colleges and the Division of Apprenticeship Standards of the Department of Industrial Relations by one day to March 14, 2014.

(2) Existing law establishes the Charter School Revolving Loan ~~Fund in the State Treasury~~, *Fund*, and authorizes loans to be made from the fund to qualifying charter schools. Existing law establishes the Charter School Security Fund, and authorizes deposits to be made from that fund into the Charter School Revolving Loan Fund in case of a default on a loan made from the latter fund. Existing law has transferred the responsibility for the administration of these funds from the State Department of Education to the California School Finance Authority commencing with the 2013–14 fiscal year. Existing law also establishes the Charter School Facility Grant Program under the administration of the authority. Existing law requires the authority to adopt emergency regulations to implement these provisions.

This bill would authorize, rather than require, the California School Finance Authority to adopt any necessary rules and regulations for the implementation of these provisions.

(3) Existing law ~~establishes the public school system in this state and~~ establishes a public school financing system that requires state funding for county superintendents of schools, school districts, and charter schools to be calculated pursuant to a local control funding formula, as

specified. Existing law requires, as part of the local control funding formula calculation, the calculation of an annual local control funding formula transition adjustment that is calculated on the basis of moneys appropriated in the Budget Act of 2012 for specified programs, including, among others, regional occupational centers and programs. Existing law, for the 2013–14 and 2014–15 fiscal years only, requires a county superintendent of schools and a school district that, in the 2012–13 fiscal year, received funds on behalf of, or provided funds to, a regional occupational center or program joint powers agency, to not redirect that funding for another purpose, except as specified. Existing law also requires, for the 2013–14 and 2014–15 fiscal years only, a county superintendent of schools and a school ~~district~~ *district*, *respectively*, to spend no less for regional occupational centers and programs than the amount of funds the county superintendent and school district expended in the 2012–13 fiscal year.

This bill would, for the 2013–14 and 2014–15 fiscal years, require the Superintendent of Public Instruction to apportion to a regional occupational center or program joint powers ~~authority~~ *agency* the same amount that ~~authority~~ *agency* received in the 2012–13 fiscal year from specified funding sources. The bill would authorize a county office of education and school district to include expenditures made by the county office of education and the school districts within the county for purposes of regional occupational centers or programs so long as the total amount of expenditures made by the county office of education and school districts within the county equals or exceeds the total amount required to be expended for regional occupational centers or programs pursuant to specified provisions. The bill would, for the 2013–14 and 2014–15 fiscal years, require the Superintendent to reduce the amount of the Budget Act of 2012 entitlement for regional occupational centers and programs used in the computation of the local control funding formula transition adjustment for the Torrance Unified School District by \$3,473,574 and would require the Torrance Unified School District to continue to allocate \$3,473,574 for purposes of *a* regional occupational center or program joint ~~power~~ ~~authority~~ *powers agency*. The bill would also make numerous technical and substantive changes to provisions related to the local control funding formula.

(4) Existing law requires a county board of education and a governing board of a school district to annually adopt a budget, as specified, and requires the Superintendent of ~~Public Instruction~~ to approve the budget adopted by the county board of education and the county superintendent

of schools to approve the budget adopted by the governing board of a school district. Existing law requires the budgets to not be adopted if they do not include the expenditures identified in a local control and accountability plan or an annual update to the local control and accountability plan that will be effective in the subsequent fiscal year. Existing law also requires, if a budget is disapproved, the formation of a budget review committee, as specified.

This bill would, commencing with the 2014–15 fiscal year, require that a budget review committee not be formed if the sole reason for a budget not being approved is the lack of an approved local control and accountability plan or an annual update.

(5) Existing law requires a county superintendent of schools and a school district to expend no less for home-to-school transportation programs than the amount of funds the county superintendent of schools and school ~~district~~ *district, respectively*, expended for home-to-school transportation in the 2012–13 fiscal year.

This bill would, for the 2013–14 and 2014–15 fiscal years, if a home-to-school transportation joint powers ~~authority~~ *agency* received, in the 2012–13 fiscal year, an apportionment of funds directly from the Superintendent for any of specified funding sources, require the Superintendent to apportion the same amount to the home-to-school transportation joint powers ~~authority~~ *agency*.

(6) Existing law, as part of the local control funding formula, requires a county superintendent of schools, school district, and charter school to annually report the enrollment of unduplicated pupils, defined as pupils classified as English learners, pupils eligible for free and reduced-price meals, and foster youth, to the Superintendent.

This bill would require the Superintendent to establish procedures and timeframes for the annual reporting of this information.

(7) Existing law, commencing with the 2013–14 fiscal year, requires the Superintendent to increase certain funding amounts related to necessary small schools by an amount proportionate to the increase in the statewide average local control funding formula allocations for the then current fiscal year.

This bill, commencing with the 2013–14 fiscal year, would instead require the Superintendent to increase the funding amount related to necessary small schools by the percentage change in the annual average value of a certain deflator, as specified.

~~(8) Existing law requires the Fallbrook Union High School District to enter into an interdistrict attendance agreement with the Capistrano~~

~~Unified School District to allow up to 150 pupils to attend schools of the Capistrano Unified School District, as specified.~~

~~This bill would repeal the requirement that the Fallbrook Union High School District enter into the interdistrict attendance agreement with the Capistrano Unified School District.~~

~~(9)~~

~~(8) Existing law requires the State Department of Education and the State Department of Social Services to enter into a memorandum of understanding that requires the State Department of Social Services, at least once per week, to share information related to foster youth with the State Department of Education.~~

~~This bill would require the State Department of Education and the State Department of Social Services to enter into the memorandum of understanding on or before February 1, 2014.~~

~~(10)~~

~~(9) Existing law requires a school district and a county superintendent of schools to adopt a local control accountability plan using a template adopted by the State Board of Education. Existing law requires the local control and accountability plan to include a description of the annual goals to be achieved for each of certain state priorities and the specific actions that will be taken to achieve the annual goals. Existing law requires the governing board of a school district and the county superintendent of schools to consult with teachers, principals, administrators, other school personnel, parents, and pupils in developing the local control and accountability plan. Existing law requires the county superintendent of schools to approve a local control and accountability plan or annual update to a local control and accountability plan adopted by the governing board of a school district *district*, and requires the Superintendent of Public Instruction to approve a local control and accountability plan or annual update to a local control and accountability plan adopted by the county board of education *education*, if specified determinations are made. Existing law establishes the California Collaborative for Educational Excellence for purposes of advising and assisting school districts, county superintendents of schools, and charter schools in achieving the goals set forth in a local control and accountability plan and requires the Superintendent, with the approval of the state board, to contract with individuals, local educational agencies, or organizations with the expertise, experience, and record of success to carry out the purposes of local control accountability plans.~~

This bill would require the local control and accountability plan to also include a listing and description of the expenditures for the fiscal year implementing the specific actions and the expenditures for the fiscal year that will serve unduplicated pupils, as defined, and pupils redesignated as fluent English proficient. The bill would require the governing board of a school district and county superintendent of schools to also consult with their local bargaining units in developing the local control and accountability plan. The bill would require the county superintendent of schools and the Superintendent, in approving a local control and accountability plan or annual update to a local control and accountability plan approved by the governing board of a school district or county board of education, respectively, to also determine if the local control and accountability plan or annual update adheres to specified expenditure requirements relating to unduplicated pupils. The bill would require the Superintendent to contract with a local educational agency, or consortium of local educational agencies, to serve as the fiscal agent for the California Collaborative for Educational Excellence. The bill would require the fiscal agent for the California Collaborative for Educational Excellence to contract with individuals, local educational agencies, or organizations with the expertise, experience, and record of success to carry out the purposes of local control and accountability plans.

~~(11)~~

(10) Existing law provides for the calculation of apportionments to fund the provision of special education instruction and services for pupils who qualify for these programs.

This bill would require that a specified appropriation in the Budget Act of 2013 be included in the calculation of the statewide target amount per unit of average daily attendance used to determine adjustments to special education apportionments for the 2013–14 fiscal year.

~~(12)~~

(11) Existing law establishes the Student Aid Commission as the primary state agency for the administration of state-authorized student financial aid programs available to students attending all segments of postsecondary education. Existing law establishes the Middle Class Scholarship Program under the administration of the Student Aid Commission. The program provides that, subject to an available and sufficient appropriation, commencing with the 2014–15 academic year, undergraduate students enrolled at the University of California or the California State University receive a scholarship award that, combined

with other publicly funded student financial aid, is up to 40% of the amount charged to that student for mandatory systemwide tuition in that fiscal year if the student meets the following conditions: has an annual household income that does not exceed \$150,000; satisfies specified requirements for a Cal Grant award; is a resident of this state or exempt from paying nonresident tuition; files specified financial aid forms; makes timely application or applications for publicly funded student financial aid, as defined, for which he or she is eligible; and maintains at least a 2.0 grade point average.

The program requires, in order for students enrolled in their respective segments to remain eligible to receive financial aid under the bill, that the University of California and the California State University maintain their respective institutional need-based grant program policies and maintain their funding amounts at a level that, at a minimum, is equal to the level maintained during the 2013–14 academic year.

This bill would provide that the scholarship award under the Middle Class Scholarship, combined with other publicly funded student financial aid, would be for up to 40% of the mandatory systemwide tuition and fees, rather than up to 40% of the mandatory systemwide tuition, charged to an eligible student in a fiscal year.

The bill would require that an eligible student maintain satisfactory academic progress, rather than a 2.0 grade point average, to receive a scholarship award under the program.

The bill would also require that the University of California and the California State University not supplant their respective institutional need-based grants with funds provided for scholarships under the program, rather than maintain their respective need-based grant program policies, as specified.

~~(13)~~

(12) Existing law requires the Controller to draw warrants on the State Treasury in each month of the year for the purpose of funding school districts, county superintendents of schools, and community college districts. Existing law defers the drawing of specified warrants until later dates. With respect to community colleges, existing law appropriates \$591,233,000 from the General Fund to the Board of Governors of the California Community Colleges, for expenditure during the 2014–15 fiscal year, in satisfaction of specified moneys whose payment to the California Community Colleges has been deferred.

This bill would decrease the amount of apportionment to the California Community Colleges to be deferred from the month of February to the

month of July from \$55,233,000 to \$52,456,000. The bill would also increase the amount of the appropriation from the General Fund to the Board of Governors of the California Community Colleges, for expenditure during the 2014–15 fiscal year, in satisfaction of specified deferred amounts from \$591,233,000 to \$592,456,000.

~~(14)~~

(13) Existing law, commencing with the 2012–13 fiscal year, requires certain funds appropriated in the annual Budget Act for reimbursement of the cost of a new program or increased level of service of an existing program mandated by statute or executive order to be available as a block grant to school districts, charter schools, county offices of education, and community college districts, to support specified state-mandated local programs. Existing law provides that a school district, charter school, county office of education, or community college district that submits a letter of intent to the Superintendent of Public Instruction or the Chancellor of the California Community Colleges, as appropriate, and receives this block grant funding is not eligible to submit a claim for reimbursement for those specified mandated programs for the fiscal year for which the block grant funding is received.

This bill, with respect to community colleges, would add the collective bargaining agreement disclosure mandate to the list of specified state-mandated local programs that are subject to these provisions that authorize block grant funding in lieu of program-specific reimbursement.

~~(15)~~

(14) The California Clean Energy Jobs Act, an initiative approved by the voters as Proposition 39 at the November 6, 2012, statewide general election, made changes to corporate income taxes and, except as specified, provides for the transfer of \$550,000,000 annually from the General Fund to the Clean Energy Job Creation Fund, or the Job Creation Fund, for 5 fiscal years beginning with the 2013–14 fiscal year. Moneys in the Job Creation Fund are available, upon appropriation by the Legislature, for purposes of funding eligible projects that create jobs in California improving energy efficiency and expanding clean energy generation. Existing law provides for the allocation of available funds to public school facilities, university and college facilities, and other public buildings and facilities, as well as job training and workforce development and public-private partnerships for eligible projects, as specified. Existing law establishes prescribed criteria that apply to all expenditures from the Job Creation Fund.

This bill would make various revisions in the provisions of the act relating to the allocation of Job Creation Fund moneys to schools, including specifying the calculation of average daily attendance for state special schools for these purposes, and clarifying the scope of an authorization for smaller educational agencies to elect to receive 2 years of this funding at once.

~~(16)~~

(15) Existing law authorizes the Inglewood Unified School District, through the State Department of Education, to request cashflow loans from the General Fund for a total of \$55,000,000.

This bill would require that the terms and conditions of the General Fund cashflow loan to include authorization for the payment of costs incurred before June 15, 2013, by the California Infrastructure and Economic Development Bank to implement a specified provision. The bill would make legislative findings and declarations as to the necessity of a special statute for Inglewood Unified School District.

~~(17)~~

(16) Existing law, the Budget Act of 2013, appropriates \$35,488,000 from the General Fund to the State Department of Education for support of various activities of the department.

This bill would appropriate an additional \$3,164,000 for the support of the Career Technical Education Pathways Trust one-time grant program, the Local Control Accountability Plan state-level activities, and the Local Control Funding Formula administration, as specified.

(17) Existing law, the Budget Act of 2013, appropriates \$250,000,000 from the General Fund to the State Department of Education for one-time grants for the Career Technical Education Pathways Grant Program, as specified.

This bill would, on a one-time basis, appropriate \$250,000 of the \$250,000,000 for an independent evaluation of the Career Technical Education Pathways Grant Program, and would require the department to allocate this funding to a local educational agency that the department has identified to contract for the evaluation.

(18) This bill would, on or before June 30, 2014, authorize the Board of Governors of the California Community Colleges to increase certain General Fund apportionment allocations, in an amount to be determined by the Director of Finance, to the extent that revenues distributed to local community colleges pursuant to provisions related to redevelopment agencies are less than the amount estimated in the Budget Act of 2012, as specified. The bill would require the Director of Finance

to notify the Chairperson of the Joint Legislative Budget Committee, or his or her designee, of his or her intent to increase the total allocations and the amount needed to address the shortfall described above.

(19) This bill would, on or before December 31, 2013, appropriate, in an amount to be determined by the Director of Finance, up to \$100,000,000 from the General Fund to the Board of Governors of the California Community Colleges, as specified, to the extent that revenues distributed to local community colleges pursuant to provisions related to redevelopment agencies are less than the amount estimated in the Budget Act of 2012, as specified. The bill would, on or before December 31, 2013, require the Director of Finance to reduce, as specified, an existing appropriation from the General Fund to the Board of Governors of the California Community Colleges if the revenues distributed to local community colleges pursuant to provisions related to redevelopment agencies exceed the amount estimated in the Budget Act of 2012. The bill would require the Director of Finance to notify the Chairperson of the Joint Legislative Budget Committee, or his or her designee, of his or her intent to notify the Controller of the necessity to increase or decrease the total allocations and of the amount needed to address the shortfall or surplus described above.

~~(19)~~

(20) This bill would make conforming changes, correct cross-references, and make other nonsubstantive changes.

~~(20)~~

(21) Funds appropriated by this bill would be applied toward the minimum funding requirements for school districts and community college districts imposed by Section 8 of Article XVI of the California Constitution, *as specified*.

~~(21)~~

(22) This bill would declare that it is to take effect immediately as a bill providing for appropriations related to the Budget Bill.

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

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

1 SECTION 1. Section 1240 of the Education Code is amended
2 to read:
3 1240. The county superintendent of schools shall do all of the
4 following:

1 (a) Superintend the schools of his or her county.

2 (b) Maintain responsibility for the fiscal oversight of each school
3 district in his or her county pursuant to the authority granted by
4 this code.

5 (c) (1) Visit and examine each school in his or her county at
6 reasonable intervals to observe its operation and to learn of its
7 problems. He or she annually may present a report of the state of
8 the schools in his or her county, and of his or her office, including,
9 but not limited to, his or her observations while visiting the schools,
10 to the board of education and the board of supervisors of his or
11 her county.

12 (2) (A) For fiscal years 2004–05 to 2006–07, inclusive, to the
13 extent that funds are appropriated for purposes of this paragraph,
14 the county superintendent, or his or her designee, annually shall
15 submit a report, at a regularly scheduled November board meeting,
16 to the governing board of each school district under his or her
17 jurisdiction, the county board of education of his or her county,
18 and the board of supervisors of his or her county describing the
19 state of the schools in the county or of his or her office that are
20 ranked in deciles 1 to 3, inclusive, of the 2003 base Academic
21 Performance Index (API), as described in subdivision (b) of Section
22 17592.70, and shall include, among other things, his or her
23 observations while visiting the schools and his or her
24 determinations for each school regarding the status of all of the
25 circumstances listed in subparagraph (J) and teacher
26 misassignments and teacher vacancies. As a condition for receipt
27 of funds, the county superintendent, or his or her designee, shall
28 use a standardized template to report the circumstances listed in
29 subparagraph (J) and teacher misassignments and teacher
30 vacancies, unless the current annual report being used by the county
31 superintendent, or his or her designee, already includes those details
32 for each school.

33 (B) Commencing with the 2007–08 fiscal year, the county
34 superintendent, or his or her designee, annually shall submit a
35 report, at a regularly scheduled November board meeting, to the
36 governing board of each school district under his or her jurisdiction,
37 the county board of education of his or her county, and the board
38 of supervisors of his or her county describing the state of the
39 schools in the county or of his or her office that are ranked in
40 deciles 1 to 3, inclusive, of the 2006 base API, pursuant to Section

1 52056. The annual report shall include the determinations for each
2 school made by the county superintendent, or his or her designee,
3 regarding the status of all of the circumstances listed in
4 subparagraph (J) and teacher misassignments and teacher
5 vacancies, and the county superintendent, or his or her designee,
6 shall use a standardized template to report the circumstances listed
7 in subparagraph (J) and teacher misassignments and teacher
8 vacancies, unless the current annual report being used by the county
9 superintendent, or his or her designee, already includes those details
10 with the same level of specificity that is otherwise required by this
11 subdivision. For purposes of this section, schools ranked in deciles
12 1 to 3, inclusive, on the 2006 base API shall include schools
13 determined by the department to meet either of the following:

14 (i) The school meets all of the following criteria:

15 (I) Does not have a valid base API score for 2006.

16 (II) Is operating in fiscal year 2007–08 and was operating in
17 fiscal year 2006–07 during the Standardized Testing and Reporting
18 (STAR) Program testing period.

19 (III) Has a valid base API score for 2005 that was ranked in
20 deciles 1 to 3, inclusive, in that year.

21 (ii) The school has an estimated base API score for 2006 that
22 would be in deciles 1 to 3, inclusive.

23 (C) The department shall estimate an API score for any school
24 meeting the criteria of subclauses (I) and (II) of clause (i) of
25 subparagraph (B) and not meeting the criteria of subclause (III)
26 of clause (i) of subparagraph (B), using available test scores and
27 weighting or corrective factors it deems appropriate. The
28 department shall post the API scores on its Internet Web site on
29 or before May 1.

30 (D) For purposes of this section, references to schools ranked
31 in deciles 1 to 3, inclusive, on the 2006 base API shall exclude
32 schools operated by county offices of education pursuant to Section
33 56140, as determined by the department.

34 (E) In addition to the requirements above, the county
35 superintendent, or his or her designee, annually shall verify both
36 of the following:

37 (i) That pupils who have not passed the high school exit
38 examination by the end of grade 12 are informed that they are
39 entitled to receive intensive instruction and services for up to two
40 consecutive academic years after completion of grade 12 or until

1 the pupil has passed both parts of the high school exit examination,
2 whichever comes first, pursuant to paragraphs (4) and (5) of
3 subdivision (d) of Section 37254.

4 (ii) That pupils who have elected to receive intensive instruction
5 and services, pursuant to paragraphs (4) and (5) of subdivision (d)
6 of Section 37254, are being served.

7 (F) (i) Commencing with the 2010–11 fiscal year and every
8 third year thereafter, the Superintendent shall identify a list of
9 schools ranked in deciles 1 to 3, inclusive, of the API for which
10 the county superintendent, or his or her designee, annually shall
11 submit a report, at a regularly scheduled November board meeting,
12 to the governing board of each school district under his or her
13 jurisdiction, the county board of education of his or her county,
14 and the board of supervisors of his or her county that describes the
15 state of the schools in the county or of his or her office that are
16 ranked in deciles 1 to 3, inclusive, of the base API as defined in
17 clause (ii).

18 (ii) For the 2010–11 fiscal year, the list of schools ranked in
19 deciles 1 to 3, inclusive, of the base API shall be updated using
20 the criteria set forth in clauses (i) and (ii) of subparagraph (B),
21 subparagraph (C), and subparagraph (D), as applied to the 2009
22 base API and thereafter shall be updated every third year using
23 the criteria set forth in clauses (i) and (ii) of subparagraph (B),
24 subparagraph (C), and subparagraph (D), as applied to the base
25 API of the year preceding the third year consistent with clause (i).

26 (iii) The annual report shall include the determinations for each
27 school made by the county superintendent, or his or her designee,
28 regarding the status of all of the circumstances listed in
29 subparagraph (J) and teacher misassignments and teacher
30 vacancies, and the county superintendent, or his or her designee,
31 shall use a standardized template to report the circumstances listed
32 in subparagraph (J) and teacher misassignments and teacher
33 vacancies, unless the current annual report being used by the county
34 superintendent, or his or her designee, already includes those details
35 with the same level of specificity that is otherwise required by this
36 subdivision.

37 (G) The county superintendent of the Counties of Alpine,
38 Amador, Del Norte, Mariposa, Plumas, and Sierra, and the City
39 and County of San Francisco shall contract with another county

1 office of education or an independent auditor to conduct the
2 required visits and make all reports required by this paragraph.

3 (H) On a quarterly basis, the county superintendent, or his or
4 her designee, shall report the results of the visits and reviews
5 conducted that quarter to the governing board of the school district
6 at a regularly scheduled meeting held in accordance with public
7 notification requirements. The results of the visits and reviews
8 shall include the determinations of the county superintendent, or
9 his or her designee, for each school regarding the status of all of
10 the circumstances listed in subparagraph (J) and teacher
11 misassignments and teacher vacancies. If the county
12 superintendent, or his or her designee, conducts no visits or reviews
13 in a quarter, the quarterly report shall report that fact.

14 (I) The visits made pursuant to this paragraph shall be conducted
15 at least annually and shall meet the following criteria:

16 (i) Minimize disruption to the operation of the school.

17 (ii) Be performed by individuals who meet the requirements of
18 Section 45125.1.

19 (iii) Consist of not less than 25 percent unannounced visits in
20 each county. During unannounced visits in each county, the county
21 superintendent shall not demand access to documents or specific
22 school personnel. Unannounced visits shall only be used to observe
23 the condition of school repair and maintenance, and the sufficiency
24 of instructional materials, as defined by Section 60119.

25 (J) The priority objective of the visits made pursuant to this
26 paragraph shall be to determine the status of all of the following
27 circumstances:

28 (i) Sufficient textbooks as defined in Section 60119 and as
29 specified in subdivision (i).

30 (ii) The condition of a facility that poses an emergency or urgent
31 threat to the health or safety of pupils or staff as described in school
32 district policy or paragraph (1) of subdivision (c) of Section
33 17592.72.

34 (iii) The accuracy of data reported on the school accountability
35 report card with respect to the availability of sufficient textbooks
36 and instructional materials, as defined by Section 60119, and the
37 safety, cleanliness, and adequacy of school facilities, including
38 good repair as required by Sections 17014, 17032.5, 17070.75,
39 and 17089.

1 (iv) The extent to which pupils who have not passed the high
2 school exit examination by the end of grade 12 are informed that
3 they are entitled to receive intensive instruction and services for
4 up to two consecutive academic years after completion of grade
5 12 or until the pupil has passed both parts of the high school exit
6 examination, whichever comes first, pursuant to paragraphs (4)
7 and (5) of subdivision (d) of Section 37254.

8 (v) The extent to which pupils who have elected to receive
9 intensive instruction and services, pursuant to paragraphs (4) and
10 (5) of subdivision (d) of Section 37254, are being served.

11 (K) The county superintendent may make the status
12 determinations described in subparagraph (J) during a single visit
13 or multiple visits. In determining whether to make a single visit
14 or multiple visits for this purpose, the county superintendent shall
15 take into consideration factors such as cost-effectiveness, disruption
16 to the schoolsite, deadlines, and the availability of qualified
17 reviewers.

18 (L) If the county superintendent determines that the condition
19 of a facility poses an emergency or urgent threat to the health or
20 safety of pupils or staff as described in school district policy or
21 paragraph (1) of subdivision (c) of Section 17592.72, or is not in
22 good repair, as specified in subdivision (d) of Section 17002 and
23 required by Sections 17014, 17032.5, 17070.75, and 17089, the
24 county superintendent, among other things, may do any of the
25 following:

26 (i) Return to the school to verify repairs.

27 (ii) Prepare a report that specifically identifies and documents
28 the areas or instances of noncompliance if the school district has
29 not provided evidence of successful repairs within 30 days of the
30 visit of the county superintendent or, for major projects, has not
31 provided evidence that the repairs will be conducted in a timely
32 manner. The report may be provided to the governing board of the
33 school district. If the report is provided to the school district, it
34 shall be presented at a regularly scheduled meeting held in
35 accordance with public notification requirements. The county
36 superintendent shall post the report on his or her Internet Web site.
37 The report shall be removed from the Internet Web site when the
38 county superintendent verifies the repairs have been completed.

39 (d) Distribute all laws, reports, circulars, instructions, and blanks
40 that he or she may receive for the use of the school officers.

1 (e) Annually, on or before August 15, present a report to the
2 governing board of the school district and the Superintendent
3 regarding the fiscal solvency of a school district with a disapproved
4 budget, qualified interim certification, or a negative interim
5 certification, or that is determined to be in a position of fiscal
6 uncertainty pursuant to Section 42127.6.

7 (f) Keep in his or her office the reports of the Superintendent.

8 (g) Keep a record of his or her official acts, and of all the
9 proceedings of the county board of education, including a record
10 of the standing, in each study, of all applicants for certificates who
11 have been examined, which shall be open to the inspection of an
12 applicant or his or her authorized agent.

13 (h) Enforce the course of study.

14 (i) (1) Enforce the use of state textbooks and instructional
15 materials and of high school textbooks and instructional materials
16 regularly adopted by the proper authority in accordance with
17 Section 51050.

18 (2) For purposes of this subdivision, sufficient textbooks or
19 instructional materials has the same meaning as in subdivision (c)
20 of Section 60119.

21 (3) (A) Commencing with the 2005–06 school year, if a school
22 is ranked in any of deciles 1 to 3, inclusive, of the base API, as
23 specified in paragraph (2) of subdivision (c), and not currently
24 under review pursuant to a state or federal intervention program,
25 the county superintendent specifically shall review that school at
26 least annually as a priority school. A review conducted for purposes
27 of this paragraph shall be completed by the fourth week of the
28 school year. For the 2004–05 fiscal year only, the county
29 superintendent shall make a diligent effort to conduct a visit to
30 each school pursuant to this paragraph within 120 days of receipt
31 of funds for this purpose.

32 (B) In order to facilitate the review of instructional materials
33 before the fourth week of the school year, the county superintendent
34 in a county with 200 or more schools that are ranked in any of
35 deciles 1 to 3, inclusive, of the base API, as specified in paragraph
36 (2) of subdivision (c), may utilize a combination of visits and
37 written surveys of teachers for the purpose of determining
38 sufficiency of textbooks and instructional materials in accordance
39 with subparagraph (A) of paragraph (1) of subdivision (a) of
40 Section 60119 and as defined in subdivision (c) of Section 60119.

1 If a county superintendent elects to conduct written surveys of
2 teachers, the county superintendent shall visit the schools surveyed
3 within the same academic year to verify the accuracy of the
4 information reported on the surveys. If a county superintendent
5 surveys teachers at a school in which the county superintendent
6 has found sufficient textbooks and instructional materials for the
7 previous two consecutive years and determines that the school
8 does not have sufficient textbooks or instructional materials, the
9 county superintendent shall within 10 business days provide a copy
10 of the insufficiency report to the school district as set forth in
11 paragraph (4).

12 (C) For purposes of this paragraph, “written surveys” may
13 include paper and electronic or online surveys.

14 (4) If the county superintendent of schools determines that a
15 school does not have sufficient textbooks or instructional materials
16 in accordance with subparagraph (A) of paragraph (1) of
17 subdivision (a) of Section 60119 and as defined by subdivision (c)
18 of Section 60119, the county superintendent shall do all of the
19 following:

20 (A) Prepare a report that specifically identifies and documents
21 the areas or instances of noncompliance.

22 (B) Provide within five business days of the review, a copy of
23 the report to the school district, as provided in subdivision (c), or,
24 if applicable, provide a copy of the report to the school district
25 within 10 business days pursuant to subparagraph (B) of paragraph
26 (3).

27 (C) Provide the school district with the opportunity to remedy
28 the deficiency. The county superintendent shall ensure remediation
29 of the deficiency no later than the second month of the school term.

30 (D) If the deficiency is not remedied as required pursuant to
31 subparagraph (C), the county superintendent shall request the
32 department to purchase the textbooks or instructional materials
33 necessary to comply with the sufficiency requirement of this
34 subdivision. If the department purchases textbooks or instructional
35 materials for the school district, the department shall issue a public
36 statement at the first regularly scheduled meeting of the state board
37 occurring immediately after the department receives the request
38 of the county superintendent and that meets the applicable public
39 notice requirements, indicating that the district superintendent and
40 the governing board of the school district failed to provide pupils

1 with sufficient textbooks or instructional materials as required by
2 this subdivision. Before purchasing the textbooks or instructional
3 materials, the department shall consult with the school district to
4 determine which textbooks or instructional materials to purchase.
5 The amount of funds necessary for the purchase of the textbooks
6 and materials is a loan to the school district receiving the textbooks
7 or instructional materials. Unless the school district repays the
8 amount owed based upon an agreed-upon repayment schedule with
9 the Superintendent, the Superintendent shall notify the Controller
10 and the Controller shall deduct an amount equal to the total amount
11 used to purchase the textbooks and materials from the next
12 principal apportionment of the school district or from another
13 apportionment of state funds.

14 (j) Preserve carefully all reports of school officers and teachers.

15 (k) Deliver to his or her successor, at the close of his or her
16 official term, all records, books, documents, and papers belonging
17 to the office, taking a receipt for them, which shall be filed with
18 the department.

19 (l) (1) Submit two reports during the fiscal year to the county
20 board of education in accordance with the following:

21 (A) The first report shall cover the financial and budgetary status
22 of the county office of education for the period ending October
23 31. The second report shall cover the period ending January 31.
24 Both reports shall be reviewed by the county board of education
25 and approved by the county superintendent no later than 45 days
26 after the close of the period being reported.

27 (B) As part of each report, the county superintendent shall certify
28 in writing whether or not the county office of education is able to
29 meet its financial obligations for the remainder of the fiscal year
30 and, based on current forecasts, for two subsequent fiscal years.
31 The certifications shall be classified as positive, qualified, or
32 negative, pursuant to standards prescribed by the Superintendent,
33 for the purposes of determining subsequent state agency actions
34 pursuant to Section 1240.1. For purposes of this subdivision, a
35 negative certification shall be assigned to a county office of
36 education that, based upon current projections, will not meet its
37 financial obligations for the remainder of the fiscal year or for the
38 subsequent fiscal year. A qualified certification shall be assigned
39 to a county office of education that may not meet its financial
40 obligations for the current fiscal year or two subsequent fiscal

1 years. A positive certification shall be assigned to a county office
2 of education that will meet its financial obligations for the current
3 fiscal year and subsequent two fiscal years. In accordance with
4 those standards, the Superintendent may reclassify a certification.
5 If a county office of education receives a negative certification,
6 the Superintendent, or his or her designee, may exercise the
7 authority set forth in subdivision (c) of Section 1630. Copies of
8 each certification, and of the report containing that certification,
9 shall be sent to the Superintendent at the time the certification is
10 submitted to the county board of education. Copies of each
11 qualified or negative certification and the report containing that
12 certification shall be sent to the Controller at the time the
13 certification is submitted to the county board of education.

14 (i) For the 2011–12 fiscal year, notwithstanding any of the
15 standards and criteria adopted by the state board pursuant to Section
16 33127, each county office of education budget shall project the
17 same level of revenue per unit of average daily attendance as it
18 received in the 2010–11 fiscal year and shall maintain staffing and
19 program levels commensurate with that level.

20 (ii) For the 2011–12 fiscal year, the county superintendent shall
21 not be required to certify in writing whether or not the county
22 office of education is able to meet its financial obligations for the
23 two subsequent fiscal years.

24 (iii) For the 2011–12 fiscal year, notwithstanding any of the
25 standards and criteria adopted by the state board pursuant to Section
26 33127, the Superintendent, as a condition on approval of a county
27 office of education budget, shall not require a county office of
28 education to project a lower level of revenue per unit of average
29 daily attendance than it received in the 2010–11 fiscal year nor
30 require the county superintendent to certify in writing whether or
31 not the county office of education is able to meet its financial
32 obligations for the two subsequent fiscal years.

33 (2) All reports and certifications required under this subdivision
34 shall be in a format or on forms prescribed by the Superintendent,
35 and shall be based on standards and criteria for fiscal stability
36 adopted by the state board pursuant to Section 33127. The reports
37 and supporting data shall be made available by the county
38 superintendent to an interested party upon request.

39 (3) This subdivision does not preclude the submission of
40 additional budgetary or financial reports by the county

1 superintendent to the county board of education or to the
2 Superintendent.

3 (4) The county superintendent is not responsible for the fiscal
4 oversight of the community colleges in the county, however, he
5 or she may perform financial services on behalf of those
6 community colleges.

7 (m) If requested, act as agent for the purchase of supplies for
8 the city and high school districts of his or her county.

9 (n) For purposes of Section 44421.5, report to the Commission
10 on Teacher Credentialing the identity of a certificated person who
11 knowingly and willingly reports false fiscal expenditure data
12 relative to the conduct of an educational program. This requirement
13 applies only if, in the course of his or her normal duties, the county
14 superintendent discovers information that gives him or her
15 reasonable cause to believe that false fiscal expenditure data
16 relative to the conduct of an educational program has been reported.

17 (o) If any activities authorized pursuant to this section are found
18 to be a state reimbursable mandate pursuant to Section 6 of Article
19 XIII B of the California Constitution, funding provided for school
20 districts and county offices of education pursuant to Sections 2574,
21 2575, 42238.02, and 42238.03 shall be used to directly offset any
22 mandated costs.

23 SEC. 2. Section 1622 of the Education Code is amended to
24 read:

25 1622. (a) On or before July 1 of each fiscal year, the county
26 board of education shall adopt an annual budget for the budget
27 year and shall file the budget with the Superintendent, the county
28 board of supervisors, and the county auditor. The budget, and
29 supporting data, shall be maintained and made available for public
30 review. The budget shall indicate the date, time, and location at
31 which the county board of education held the public hearing
32 required under Section 1620. For the 2014–15 fiscal year and each
33 fiscal year thereafter, the county board of education shall not adopt
34 a budget before the county board of education adopts a local control
35 and accountability plan or approves an update to an existing local
36 control and accountability plan if an existing local control and
37 accountability plan or update to a local control and accountability
38 plan is not effective during the budget year. The county board of
39 education shall not adopt a budget that does not include the
40 expenditures identified in the local control and accountability plan

1 and any annual update to the local control and accountability plan
2 that will be effective in the subsequent fiscal year. Notwithstanding
3 any other provision of this article, for the 2014–15 fiscal year and
4 each fiscal year thereafter, the budget shall not be adopted or
5 approved by the Superintendent before a local control and
6 accountability plan or update to an existing local control and
7 accountability plan for the budget year is approved.

8 (b) (1) The Superintendent shall examine the budget to
9 determine if it (A) complies with the standards and criteria adopted
10 by the state board pursuant to Section 33127 for application to
11 final local educational agency budgets, (B) allows the county office
12 of education to meet its financial obligations during the fiscal year,
13 and (C) is consistent with a financial plan that will enable the
14 county office of education to satisfy its multiyear financial
15 commitments. In addition, the Superintendent shall identify any
16 technical corrections to the budget that must be made. On or before
17 August 15, the Superintendent shall approve or disapprove the
18 budget and, in the event of a disapproval, transmit to the county
19 office of education in writing his or her recommendations regarding
20 revision of the budget and the reasons for those recommendations.

21 (2) For the 2011–12 fiscal year, notwithstanding any of the
22 standards and criteria adopted by the state board pursuant to Section
23 33127, the Superintendent, as a condition on approval of a county
24 office of education budget, shall not require a county office of
25 education to project a lower level of revenue per unit of average
26 daily attendance than it received in the 2010–11 fiscal year nor
27 require the county superintendent to certify in writing whether or
28 not the county office of education is able to meet its financial
29 obligations for the two subsequent fiscal years.

30 (3) For the 2014–15 fiscal year and each fiscal year thereafter,
31 the Superintendent shall disapprove a budget if any of the following
32 occur:

33 (A) The Superintendent has not approved a local control and
34 accountability plan or an annual update to the local control and
35 accountability plan filed by a county superintendent of schools
36 pursuant to Section 52067.

37 (B) The Superintendent determines that the budget does not
38 include the expenditures necessary to implement the local control
39 and accountability plan or an annual update to the local control
40 and accountability plan that is effective for that budget year.

1 (c) On or before September 8, the county board of education
2 shall revise the county office of education budget to reflect changes
3 in projected income or expenditures subsequent to July 1, and to
4 include any response to the recommendations of the
5 Superintendent, shall adopt the revised budget, and shall file the
6 revised budget with the Superintendent, the county board of
7 supervisors, and the county auditor. Before revising the budget,
8 the county board of education shall hold a public hearing regarding
9 the proposed revisions, which shall be made available for public
10 inspection not less than three working days before the hearing.
11 The agenda for that hearing shall be posted at least 72 hours before
12 the public hearing and shall include the location where the budget
13 will be available for public inspection. The revised budget, and
14 supporting data, shall be maintained and made available for public
15 review.

16 (d) (1) The Superintendent shall examine the revised budget
17 to determine if it complies with the standards and criteria adopted
18 by the state board pursuant to Section 33127 for application to
19 final local educational agency budgets and, no later than October
20 8, shall approve or disapprove the revised budget. For the 2014–15
21 fiscal year and each fiscal year thereafter, the Superintendent shall
22 disapprove a revised budget if the Superintendent determines that
23 the revised budget does not include the expenditures necessary to
24 implement the local control and accountability or an annual update
25 to the local control and accountability plan approved by the
26 Superintendent pursuant to Section 52067. If the Superintendent
27 disapproves the budget, he or she shall call for the formation of a
28 budget review committee pursuant to Section 1623. For the
29 2011–12 fiscal year, notwithstanding any of the standards and
30 criteria adopted by the state board pursuant to Section 33127, the
31 Superintendent, as a condition on approval of a county office of
32 education budget, shall not require a county office of education to
33 project a lower level of revenue per unit of average daily attendance
34 than it received in the 2010–11 fiscal year nor require the county
35 superintendent to certify in writing whether or not the county office
36 of education is able to meet its financial obligations for the two
37 subsequent fiscal years.

38 (2) Notwithstanding any other law, for the 2014–15 fiscal year
39 and each fiscal year thereafter, if the Superintendent disapproves
40 the budget for the sole reason that the Superintendent has not

1 approved a local control and accountability plan or an annual
2 update to the local control and accountability plan filed by the
3 county superintendent of schools pursuant to Section 52067, the
4 Superintendent shall not call for the formation of a budget review
5 committee pursuant to Section 1623.

6 (e) Notwithstanding any other provision of this section, the
7 budget review for a county office of education shall be governed
8 by paragraphs (1), (2), and (3) of this subdivision, rather than by
9 subdivisions (c) and (d), if the county board of education so elects,
10 and notifies the Superintendent in writing of that decision, no later
11 than October 31 of the immediately preceding calendar year.

12 (1) In the event of the disapproval of the budget of a county
13 office of education pursuant to subdivision (b), on or before
14 September 8, the county superintendent of schools and the county
15 board of education shall review the recommendations of the
16 Superintendent at a regularly scheduled meeting of the county
17 board of education and respond to those recommendations. That
18 response shall include the proposed actions to be taken, if any, as
19 a result of those recommendations.

20 (2) No later than October 8, after receiving the response required
21 under paragraph (1), the Superintendent shall review that response
22 and either approve or disapprove the budget of the county office
23 of education. For the 2014–15 fiscal year and each fiscal year
24 thereafter, the Superintendent shall disapprove a budget if the
25 Superintendent determines that the budget adopted by the county
26 board of education does not include the expenditures necessary to
27 implement the local control and accountability plan or an annual
28 update to the local control and accountability plan approved by
29 the Superintendent pursuant to Section 52067. Except as provided
30 in paragraph (2) of subdivision (d), if the Superintendent
31 disapproves the budget, he or she shall call for the formation of a
32 budget review committee pursuant to Section 1623.

33 (3) Not later than 45 days after the Governor signs the annual
34 Budget Act, the county office of education shall make available
35 for public review any revisions in revenues and expenditures that
36 it has made to its budget to reflect the funding made available by
37 that Budget Act.

38 SEC. 3. Section 1982 of the Education Code is repealed.

39 SEC. 4. Section 2558 of the Education Code is amended to
40 read:

1 2558. Notwithstanding any other law, for the 1979–80 fiscal
2 year and each fiscal year thereafter, the Superintendent shall
3 apportion state aid to county superintendents of schools pursuant
4 to this section.

5 (a) The Superintendent shall total the amounts computed for
6 the fiscal year pursuant to Sections 2550, 2551.3, 2554, 2555, and
7 2557 and Section 2551, as that section read on January 1, 1999.
8 For the 1979–80 fiscal year and for purposes of calculating the
9 1979–80 fiscal year base amounts in succeeding fiscal years, the
10 amounts in Sections 2550, 2551, 2552, 2554, 2555, and 2557, as
11 they read in the 1979–80 fiscal year, shall be multiplied by a factor
12 of 0.994. For the 1981–82 fiscal year and for purposes of
13 calculating the 1981–82 fiscal year base amounts in succeeding
14 fiscal years, the amount in this subdivision shall be multiplied by
15 a factor of 0.97.

16 (b) For the 1995–96 fiscal year and each fiscal year thereafter,
17 the county superintendent of schools shall adjust the total revenue
18 limit computed pursuant to this section by the amount of increased
19 or decreased employer contributions to the Public Employees’
20 Retirement System resulting from the enactment of Chapter 330
21 of the Statutes of 1982, adjusted for any changes in those
22 contributions resulting from subsequent changes in employer
23 contribution rates, excluding rate changes due to the direct transfer
24 of the state-mandated portion of the employer contributions to the
25 Public Employees’ Retirement System through the current fiscal
26 year. The adjustment shall be calculated for each county
27 superintendent of schools as follows:

28 (1) Determine the amount of employer contributions that would
29 have been made in the current fiscal year if the applicable Public
30 Employees’ Retirement System employee contribution rate in
31 effect immediately before the enactment of Chapter 330 of the
32 Statutes of 1982 were in effect during the current fiscal year.

33 (2) Determine the actual amount of employer contributions
34 made to the Public Employees’ Retirement System in the current
35 fiscal year.

36 (3) If the amount determined in paragraph (1) is greater than
37 the amount determined in paragraph (2), the total revenue limit
38 computed pursuant to this part for that county superintendent of
39 schools shall be decreased by the amount of the difference between
40 those paragraphs; or if the amount determined in paragraph (1) is

1 less than the amount determined in paragraph (2), the total revenue
2 limit for that county superintendent of schools shall be increased
3 by the amount of the difference between those paragraphs.

4 (4) For purposes of this subdivision, employer contributions to
5 the Public Employees' Retirement System for either of the
6 following positions shall be excluded from the calculation specified
7 above:

8 (A) Positions or portions of positions supported by federal funds
9 that are subject to supplanting restrictions.

10 (B) Positions supported, to the extent of employers'
11 contributions not exceeding twenty-five thousand dollars (\$25,000)
12 by any single educational agency, from a non-General Fund
13 revenue source determined to be properly excludable from this
14 subdivision by the Superintendent with the approval of the Director
15 of Finance. Commencing in the 2002–03 fiscal year, only positions
16 supported from a non-General Fund revenue source determined
17 to be properly excludable as identified for a particular local
18 educational agency or pursuant to a blanket waiver by the
19 Superintendent and the Director of Finance, before the 2002–03
20 fiscal year, may be excluded pursuant to this paragraph.

21 (5) For accounting purposes, any reduction to county office of
22 education revenue limits made by this subdivision may be reflected
23 as an expenditure from appropriate sources of revenue as directed
24 by the Superintendent.

25 (6) The amount of the increase or decrease to the revenue limits
26 of county superintendents of schools made by this subdivision for
27 the 1995–96 to 2001–02 fiscal years, inclusive, may not be adjusted
28 by the deficit factor applied to the revenue limit of each county
29 superintendent of schools pursuant to Section 2558.45.

30 (7) For the 2003–04 fiscal year and any fiscal year thereafter,
31 the revenue limit reduction specified in Section 2558.46 may not
32 be applied to the amount of the increase or decrease to the revenue
33 limits of each county superintendent of schools computed pursuant
34 to paragraph (3).

35 (c) The Superintendent shall also subtract from the amount
36 determined in subdivision (a) the sum of all of the following:

37 (1) Local property tax revenues received pursuant to Section
38 2573 in the then current fiscal year, and tax revenues received
39 pursuant to Section 2556 in the then current fiscal year.

40 (2) State and federal categorical aid for the fiscal year.

1 (3) District contributions pursuant to Section 52321 for the fiscal
2 year, and other applicable local contributions and revenues.

3 (4) Any amounts that the county superintendent of schools was
4 required to maintain as restricted and not available for expenditure
5 in the 1978–79 fiscal year as specified in the second paragraph of
6 subdivision (c) of Section 6 of Chapter 292 of the Statutes of 1978,
7 as amended by Chapter 51 of the Statutes of 1979.

8 (5) The amount received pursuant to subparagraph (C) of
9 paragraph (3) of subdivision (a) of Section 33607.5 of the Health
10 and Safety Code that is considered property taxes pursuant to that
11 section.

12 (6) The amount, if any, received pursuant to Sections 34177,
13 34179.5, 34179.6, and 34188 of the Health and Safety Code.

14 (7) The amount, if any, received pursuant to subparagraph (B)
15 of paragraph (3) of subdivision (e) of Section 36 of Article XIII
16 of the California Constitution.

17 (d) The remainder computed in subdivision (c) shall be
18 distributed in the same manner as state aid to school districts from
19 funds appropriated to Section A of the State School Fund.

20 (e) If the remainder determined pursuant to subdivision (c) is a
21 negative amount, no state aid shall be distributed to that county
22 superintendent of schools pursuant to subdivision (d), and an
23 amount of funds of that county superintendent of schools equal to
24 that negative amount shall be deemed restricted and not available
25 for expenditure during the current fiscal year. In the next fiscal
26 year, that amount shall be considered local property tax revenue
27 for purposes of the operation of paragraph (1) of subdivision (c).

28 (f) The calculations set forth in paragraphs (1) to (3), inclusive,
29 of subdivision (b) exclude employer contributions for employees
30 of charter schools funded pursuant to Article 2 (commencing with
31 Section 47633) of Chapter 6 of Part 26.8 of Division 4 of Title 2.

32 (g) Commencing with the 2013–14 fiscal year, this section shall
33 be used only for purposes of allocating revenues received pursuant
34 to subparagraph (B) of paragraph (3) of subdivision (e) of Section
35 36 of Article XIII of the California Constitution.

36 (h) This section shall become inoperative on July 1, 2021, and,
37 as of January 1, 2022, is repealed, unless a later enacted statute,
38 that becomes operative on or before January 1, 2022, deletes or
39 extends the dates on which it becomes inoperative and is repealed.

1 SEC. 5. Section 2574 of the Education Code is amended to
2 read:

3 2574. For the 2013–14 fiscal year and for each fiscal year
4 thereafter, the Superintendent annually shall calculate a county
5 local control funding formula for each county superintendent of
6 schools as follows:

7 (a) Compute a county office of education operations grant equal
8 to the sum of each of the following amounts:

9 (1) Six hundred fifty-five thousand nine hundred twenty dollars
10 (\$655,920).

11 (2) One hundred nine thousand three hundred twenty dollars
12 (\$109,320) multiplied by the number of school districts for which
13 the county superintendent of schools has jurisdiction pursuant to
14 Section 1253.

15 (3) (A) Seventy dollars (\$70) multiplied by the number of units
16 of countywide average daily attendance, up to a maximum of
17 30,000 units.

18 (B) Sixty dollars (\$60) multiplied by the number of units of
19 countywide average daily attendance for the portion of countywide
20 average daily attendance, if any, above 30,000 units, up to a
21 maximum of 60,000 units.

22 (C) Fifty dollars (\$50) multiplied by the number of units of
23 countywide average daily attendance for the portion of countywide
24 average daily attendance, if any, above 60,000, up to a maximum
25 of 140,000 units.

26 (D) Forty dollars (\$40) multiplied by the number of units of
27 countywide average daily attendance for the portion of countywide
28 average daily attendance, if any, above 140,000 units.

29 (E) For purposes of this section, countywide average daily
30 attendance means the aggregate number of annual units of average
31 daily attendance within the county attributable to all school districts
32 for which the county superintendent of schools has jurisdiction
33 pursuant to Section 1253, charter schools authorized by school
34 districts for which the county superintendent of schools has
35 jurisdiction, and charter schools authorized by the county
36 superintendent of schools.

37 (4) For the 2014–15 fiscal year and each fiscal year thereafter,
38 adjust each of the rates provided in the prior year pursuant to
39 paragraphs (1), (2), and (3) by the percentage change in the annual
40 average value of the Implicit Price Deflator for State and Local

1 Government Purchases of Goods and Services for the United States,
2 as published by the United States Department of Commerce for
3 the 12-month period ending in the third quarter of the prior fiscal
4 year. This percentage change shall be determined using the latest
5 data available as of May 10 of the preceding fiscal year compared
6 with the annual average value of the same deflator for the 12-month
7 period ending in the third quarter of the second preceding fiscal
8 year, using the latest data available as of May 10 of the preceding
9 fiscal year, as reported by the Department of Finance.

10 (b) Determine the enrollment percentage of unduplicated pupils
11 pursuant to the following:

12 (1) (A) For the 2013–14 fiscal year, divide the enrollment of
13 unduplicated pupils in all schools operated by a county
14 superintendent of schools in the 2013–14 fiscal year by the total
15 enrollment in those schools in the 2013–14 fiscal year.

16 (B) For the 2014–15 fiscal year, divide the sum of the enrollment
17 of unduplicated pupils in all schools operated by a county
18 superintendent of schools in the 2013–14 and 2014–15 fiscal years
19 by the sum of the total enrollment in those schools in the 2013–14
20 and 2014–15 fiscal years.

21 (C) For the 2015–16 fiscal year and each fiscal year thereafter,
22 divide the sum of the enrollment of unduplicated pupils in all
23 schools operated by a county superintendent of schools in the
24 current fiscal year and the two prior fiscal years by the sum of the
25 total enrollment in those schools in the current fiscal year and the
26 two prior fiscal years.

27 (D) For purposes of determining the enrollment percentage of
28 unduplicated pupils pursuant to this subdivision, enrollment in
29 schools or classes established pursuant to Article 2.5 (commencing
30 with Section 48645) of Chapter 4 of Part 27 of Division 4 of Title
31 2 and the enrollment of pupils other than the pupils identified in
32 clauses (i) to (iii), inclusive, of subparagraph (A) of paragraph (4)
33 of subdivision (c), shall be excluded from the calculation of the
34 enrollment percentage of unduplicated pupils.

35 (2) For purposes of this section, an “unduplicated pupil” is a
36 pupil who is classified as an English learner, eligible for a free or
37 reduced-price meal, or a foster youth. For purposes of this section,
38 the definitions in Section 42238.01 of an English learner, a pupil
39 eligible for a free or reduced-price meal, and foster youth shall

1 apply. A pupil shall be counted only once for purposes of this
2 section if any of the following apply:

3 (A) The pupil is classified as an English learner and is eligible
4 for a free or reduced-price meal.

5 (B) The pupil is classified as an English learner and is a foster
6 youth.

7 (C) The pupil is eligible for a free or reduced-price meal and is
8 classified as a foster youth.

9 (D) The pupil is classified as an English learner, is eligible for
10 a free or reduced-price meal, and is a foster youth.

11 (3) (A) Under procedures and timeframes established by the
12 Superintendent, commencing with the 2013–14 fiscal year, a county
13 superintendent of schools annually shall report the enrollment of
14 unduplicated pupils, pupils classified as English learners, pupils
15 eligible for free and reduced-price meals, and foster youth in
16 schools operated by the county superintendent of schools to the
17 Superintendent using the California Longitudinal Pupil
18 Achievement Data System.

19 (B) The Superintendent shall make the calculations pursuant to
20 this section using the data submitted through the California
21 Longitudinal Pupil Achievement Data System.

22 (C) The Controller shall include instructions, as appropriate, in
23 the audit guide required by subdivision (a) of Section 14502.1, for
24 determining if the data reported by a county superintendent of
25 schools using the California Longitudinal Pupil Achievement Data
26 System is consistent with pupil data records maintained by the
27 county office of education.

28 (c) Compute an alternative education grant equal to the sum of
29 the following:

30 (1) (A) For the 2013–14 fiscal year, a base grant equal to the
31 2012–13 per pupil undeficitated statewide average juvenile court
32 school base revenue limit calculated pursuant to Article 3
33 (commencing with Section 2550) of Chapter 12, as that article
34 read on January 1, 2013.

35 (B) Commencing with the 2013–14 fiscal year, the per pupil
36 base grant shall be adjusted by the percentage change in the annual
37 average value of the Implicit Price Deflator for State and Local
38 Government Purchases of Goods and Services for the United States,
39 as published by the United States Department of Commerce for
40 the 12-month period ending in the third quarter of the prior fiscal

1 year. This percentage change shall be determined using the latest
2 data available as of May 10 of the preceding fiscal year compared
3 with the annual average value of the same deflator for the 12-month
4 period ending in the third quarter of the second preceding fiscal
5 year, using the latest data available as of May 10 of the preceding
6 fiscal year, as reported by the Department of Finance.

7 (2) A supplemental grant equal to 35 percent of the base grant
8 described in paragraph (1) multiplied by the enrollment percentage
9 calculated in subdivision (b). The supplemental grant shall be
10 expended in accordance with the regulations adopted pursuant to
11 Section 42238.07.

12 (3) (A) A concentration grant equal to 35 percent of the base
13 grant described in paragraph (1) multiplied by the greater of either
14 of the following:

15 (i) The enrollment percentage calculated in subdivision (b) less
16 50 percent.

17 (ii) Zero.

18 (B) The concentration grant shall be expended in accordance
19 with the regulations adopted pursuant to Section 42238.07.

20 (4) (A) Multiply the sum of paragraphs (1), (2), and (3) by the
21 total number of units of average daily attendance for pupils
22 attending schools operated by a county office of education,
23 excluding units of average daily attendance for pupils attending
24 schools or classes established pursuant to Article 2.5 (commencing
25 with Section 48645) of Chapter 4 of Part 27 of Division 4 of Title
26 2, who are enrolled pursuant to any of the following:

27 (i) Probation-referred pursuant to Sections 300, 601, 602, and
28 654 of the Welfare and Institutions Code.

29 (ii) On probation or parole and not in attendance in a school.

30 (iii) Expelled for any of the reasons specified in subdivision (a)
31 or (c) of Section 48915.

32 (B) Multiply the number of units of average daily attendance
33 for pupils attending schools or classes established pursuant to
34 Article 2.5 (commencing with Section 48645) of Chapter 4 of Part
35 27 of Division 4 of Title 2 by the sum of the base grant calculated
36 pursuant to paragraph (1), a supplemental grant equal to 35 percent
37 of the base grant calculated pursuant to paragraph (1), and a
38 concentration grant equal to 17.5 percent of the base grant
39 calculated pursuant to paragraph (1). Funds provided for the
40 supplemental and concentration grants pursuant to this calculation

1 shall be expended in accordance with the regulations adopted
2 pursuant to Section 42238.07.

3 (C) Add the amounts calculated in subparagraphs (A) and (B).

4 (d) Add the amount calculated in subdivision (a) to the amount
5 calculated in subparagraph (C) of paragraph (4) of subdivision (c).

6 (e) Add all of the following to the amount calculated in
7 subdivision (d):

8 (1) The amount of funding a county superintendent of schools
9 received for the 2012–13 fiscal year from funds allocated pursuant
10 to the Targeted Instructional Improvement Block Grant program,
11 as set forth in Article 6 (commencing with Section 41540) of
12 Chapter 3.2 of Part 24 of Division 3 of Title 2, as that article read
13 on January 1, 2013.

14 (2) (A) The amount of funding a county superintendent of
15 schools received for the 2012–13 fiscal year from funds allocated
16 pursuant to the Home-to-School Transportation program, as set
17 forth in Article 2 (commencing with Section 39820) of Chapter 1
18 of Part 23.5 of Division 3 of Title 2, Article 10 (commencing with
19 Section 41850) of Chapter 5 of Part 24 of Division 3 of Title 2,
20 and the Small School District Transportation program, as set forth
21 in Article 4.5 (commencing with Section 42290) of Chapter 7 of
22 Part 24 of Division 3 of Title 2, as those articles read on January
23 1, 2013.

24 (B) On or before March 1, 2014, the Legislative Analyst’s Office
25 shall submit recommendations to the fiscal committees of both
26 houses of the Legislature regarding revisions to the methods of
27 funding pupil transportation that address historical funding
28 inequities across county offices of education and school districts
29 and improve incentives for local educational agencies to provide
30 efficient and effective pupil transportation services.

31 SEC. 6. Section 2575 of the Education Code is amended to
32 read:

33 2575. (a) Commencing with the 2013–14 fiscal year and for
34 each fiscal year thereafter, the Superintendent shall calculate a
35 base entitlement for the transition to the county local control
36 funding formula for each county office of education based on the
37 sum of the amounts computed pursuant to paragraphs (1) to (3),
38 inclusive:

39 (1) Revenue limits in the 2012–13 fiscal year pursuant to Article
40 3 (commencing with Section 2550) of Chapter 12, as that article

1 read on January 1, 2013, adjusted only for changes in average daily
2 attendance claimed by the county superintendent of schools for
3 pupils identified in clauses (i), (ii), and (iii) of subparagraph (A)
4 of paragraph (4) of subdivision (c) of Section 2574 and for pupils
5 attending juvenile court schools. All other average daily attendance
6 claimed by the county superintendent of schools and any other
7 average daily attendance used for purposes of calculating revenue
8 limits pursuant to Article 3 (commencing with Section 2550) of
9 Chapter 12, as that article read on January 1, 2013, shall be
10 considered final for purposes of this section as of the annual
11 apportionment for the 2012–13 fiscal year, as calculated for
12 purposes of the certification required on or before February 20,
13 2014, pursuant to Section 41332.

14 (2) The sum of both of the following:

15 (A) The amount of funding received from appropriations
16 contained in Section 2.00 of the Budget Act of 2012, as adjusted
17 by Section 12.42, in the following items: 6110-104-0001,
18 6110-105-0001, 6110-107-0001, 6110-108-0001, 6110-111-0001,
19 6110-124-0001, 6110-128-0001, 6110-137-0001, 6110-144-0001,
20 6110-156-0001, 6110-181-0001, 6110-188-0001, 6110-189-0001,
21 6110-190-0001, 6110-193-0001, 6110-195-0001, 6110-198-0001,
22 6110-204-0001, 6110-208-0001, 6110-209-0001, 6110-211-0001,
23 6110-212-0001, 6110-227-0001, 6110-228-0001, 6110-232-0001,
24 6110-234-0001, 6110-240-0001, 6110-242-0001, 6110-243-0001,
25 6110-244-0001, 6110-245-0001, 6110-246-0001, 6110-247-0001,
26 6110-248-0001, 6110-260-0001, 6110-265-0001, 6110-266-0001,
27 6110-267-0001, 6110-268-0001, and 6360-101-0001, 2012–13
28 fiscal year funding for the Class Size Reduction Program pursuant
29 to Chapter 6.10 (commencing with Section 52120) of Part 28 of
30 Division 4 of Title 2, as that chapter read on January 1, 2013, and
31 2012–13 fiscal year funding for pupils enrolled in community day
32 schools who are mandatorily expelled pursuant to subdivision (d)
33 of Section 48915.

34 (B) The amount of local revenues used to support a regional
35 occupational center or program established and maintained by a
36 county superintendent of schools pursuant to Section 52301.

37 (3) For the 2014–15 fiscal year and for each fiscal year
38 thereafter, the sum of the amounts apportioned to the county office
39 of education pursuant to subdivision (f) in all prior years.

1 (b) The Superintendent shall annually compute a county local
2 control funding formula transition adjustment for each county
3 superintendent of schools as follows:

4 (1) Subtract the amount computed pursuant to subdivision (a)
5 from the amount computed pursuant to subdivision (e) of Section
6 2574. A difference of less than zero shall be deemed to be zero.

7 (2) Divide the difference for each county superintendent of
8 schools calculated pursuant to paragraph (1) by the total sum of
9 the differences for all county superintendents of schools calculated
10 pursuant to paragraph (1).

11 (3) Multiply the proportion calculated for each county office of
12 education pursuant to paragraph (2) by the amount of funding
13 specifically appropriated for purposes of subdivision (f). The
14 amount calculated shall not exceed the difference for the county
15 superintendent of schools calculated pursuant to paragraph (1).

16 (c) The Superintendent shall subtract from the amount calculated
17 pursuant to subdivision (a) the sum of each of the following:

18 (1) Local property tax revenues received pursuant to Section
19 2573 in the then current fiscal year.

20 (2) Any amounts that the county superintendent of schools was
21 required to maintain as restricted and not available for expenditure
22 in the 1978–79 fiscal year as specified in the second paragraph of
23 subdivision (c) of Section 6 of Chapter 292 of the Statutes of 1978,
24 as amended by Chapter 51 of the Statutes of 1979.

25 (3) The amount received pursuant to subparagraph (C) of
26 paragraph (3) of subdivision (a) of Section 33607.5 of the Health
27 and Safety Code that is considered property taxes pursuant to that
28 section.

29 (4) The amount, if any, received pursuant to Sections 34177,
30 34179.5, 34179.6, 34183, and 34188 of the Health and Safety
31 Code.

32 (5) The amount, if any, received pursuant to subparagraph (B)
33 of paragraph (3) of subdivision (e) of Section 36 of Article XIII
34 of the California Constitution.

35 (d) The Superintendent shall subtract from the amount computed
36 pursuant to subdivision (e) of Section 2574 the sum of the amounts
37 computed pursuant to paragraphs (1) to (5), inclusive, of
38 subdivision (c).

39 (e) The Superintendent shall annually apportion to each county
40 superintendent of schools the amount calculated pursuant to

1 subdivision (c) unless the amount computed pursuant to subdivision
2 (c) is negative. If the amount computed is negative, except as
3 provided in subdivision (f), an amount of property tax of the county
4 superintendent of schools equal to the negative amount shall be
5 deemed restricted and not available for expenditure during the
6 fiscal year. In the following fiscal year, that amount, excluding
7 any amount of funds used for purposes of subdivision (f), shall be
8 considered restricted local property tax revenue for purposes of
9 subdivision (a) of Section 2578. State aid shall not be apportioned
10 to the county superintendent of schools pursuant to this subdivision
11 if the amount computed pursuant to subdivision (c) is negative.

12 (f) (1) The Superintendent shall apportion, from an
13 appropriation specifically made for this purpose, the amount
14 computed pursuant to subdivision (b), or, if the amount computed
15 pursuant to subdivision (c) is negative, the sum of the amounts
16 computed pursuant to subdivisions (b) and (c) if the sum is greater
17 than zero.

18 (2) The Superintendent shall apportion any portion of the
19 appropriation made for purposes of paragraph (1) that is not
20 apportioned pursuant to paragraph (1) pursuant to the following
21 calculation:

22 (A) Add the amount calculated pursuant to subdivision (b) to
23 the amount computed pursuant to subdivision (a) for a county
24 superintendent of schools.

25 (B) Subtract the amount computed pursuant to subparagraph
26 (A) from the amount computed pursuant to subdivision (e) of
27 Section 2574 for the county superintendent of schools.

28 (C) Divide the difference for the county superintendent of
29 schools computed pursuant to subparagraph (B) by the sum of the
30 differences for all county superintendents of schools computed
31 pursuant to subparagraph (B).

32 (D) Multiply the proportion computed pursuant to subparagraph
33 (C) by the unapportioned balance in the appropriation.

34 (E) Apportion to each county superintendent of schools the
35 amount calculated pursuant to subparagraph (D), or if subdivision
36 (c) is negative, apportion the sums of subdivisions (b) and (c) and
37 subparagraph (D) of this subdivision if the sum is greater than
38 zero.

39 (F) The Superintendent shall repeat the computation made
40 pursuant to this paragraph, accounting for any additional amounts

1 apportioned after each computation, until the appropriation made
2 for purposes of paragraph (1) is fully apportioned.

3 (G) The total amount apportioned pursuant to this subdivision
4 to a county superintendent of schools shall not exceed the
5 difference for the county superintendent of schools calculated
6 pursuant to paragraph (1) of subdivision (b).

7 (g) (1) For a county superintendent of schools for whom, in the
8 2013–14 fiscal year, the amount computed pursuant to subdivision
9 (c) is less than the amount computed pursuant to subdivision (d),
10 in the first fiscal year following the fiscal year in which the sum
11 of the apportionments computed pursuant to subdivisions (e) and
12 (f) is equal to, or greater than, the amount computed pursuant to
13 subdivision (d) of this section, the Superintendent shall apportion
14 to the county superintendent of schools the amount computed in
15 subdivision (d) in that fiscal year and each fiscal year thereafter
16 instead of the amounts computed pursuant to subdivisions (e) and
17 (f).

18 (2) For a county superintendent of schools for whom, in the
19 2013–14 fiscal year, the amount computed pursuant to subdivision
20 (c) is greater than the amount computed pursuant to subdivision
21 (d), in the first fiscal year in which the amount computed pursuant
22 to subdivision (c) would be less than the amount computed pursuant
23 to subdivision (d), the Superintendent shall apportion to the county
24 superintendent of schools the amount computed in subdivision (d)
25 in that fiscal year and each fiscal year thereafter instead of the
26 amounts computed pursuant to subdivisions (e) and (f).

27 (3) In each fiscal year, the Superintendent shall determine the
28 percentage of county superintendents of schools that are
29 apportioned funding that is less than the amount computed pursuant
30 to subdivision (d), as of the second principal apportionment of the
31 fiscal year. If the percentage is less than 10 percent, the
32 Superintendent shall apportion to those county superintendents of
33 schools funding equal to the amount computed in subdivision (d)
34 in that fiscal year and for each fiscal year thereafter instead of the
35 amounts calculated pursuant to subdivisions (e) and (f).

36 (4) Commencing with the first fiscal year after the
37 apportionments in paragraph (3) are made, the adjustments in
38 paragraph (4) of subdivision (a) of Section 2574 and subparagraph
39 (B) of paragraph (1) of subdivision (c) of Section 2574 shall be

1 made only if an appropriation for those purposes is included in the
2 annual Budget Act.

3 (5) If the calculation pursuant to subdivision (d) is negative and
4 the Superintendent apportions to a county superintendent of schools
5 the amount computed pursuant to subdivision (d) pursuant to
6 paragraph (1), (2), or (3) of this subdivision, an amount of property
7 tax of the county superintendent of schools equal to the negative
8 amount shall be deemed restricted and not available for expenditure
9 during that fiscal year. In the following fiscal year the restricted
10 amount shall be considered restricted local property tax revenue
11 for purposes of subdivision (a) of Section 2578.

12 (h) Commencing with the 2013–14 fiscal year, the
13 Superintendent shall apportion to a county superintendent of
14 schools an amount of state aid, including any amount apportioned
15 pursuant to subdivisions (f) and (g), that is no less than the amount
16 calculated in subparagraph (A) of paragraph (2) of subdivision (a).

17 (i) (1) For the 2013–14 and 2014–15 fiscal years only, a county
18 superintendent of schools who, in the 2012–13 fiscal year, from
19 any of the funding sources identified in paragraph (1) or (2) of
20 subdivision (a), received funds on behalf of, or provided funds to,
21 a regional occupational center or program joint powers agency
22 established in accordance with Article 1 (commencing with Section
23 6500) of Chapter 5 of Division 7 of Title 1 of the Government
24 Code for purposes of providing instruction to pupils enrolled in
25 grades 9 to 12, inclusive, shall not redirect that funding for another
26 purpose unless otherwise authorized in law or pursuant to an
27 agreement between the regional occupational center or program
28 joint powers agency and the contracting county superintendent of
29 schools.

30 (2) For the 2013–14 and 2014–15 fiscal years only, if a regional
31 occupational center or program joint powers agency established
32 in accordance with Article 1 (commencing with Section 6500) of
33 Chapter 5 of Division 7 of Title 1 of the Government Code for
34 purposes of providing instruction to pupils enrolled in grades 9 to
35 12, inclusive, received, in the 2012–13 fiscal year, an
36 apportionment of funds directly from any of the funding sources
37 identified in subparagraph (A) of paragraph (2) of subdivision (a),
38 the Superintendent shall apportion that same amount to the regional
39 occupational center or program joint powers agency.

1 (j) For the 2013–14 and 2014–15 fiscal years only, a county
2 superintendent of schools who, in the 2012–13 fiscal year, from
3 any of the funding sources identified in paragraph (1) or (2) of
4 subdivision (a), received funds on behalf of, or provided funds to,
5 a home-to-school transportation joint powers agency established
6 in accordance with Article 1 (commencing with Section 6500) of
7 Chapter 5 of Division 7 of Title 1 of the Government Code for
8 purposes of providing pupil transportation shall not redirect that
9 funding for another purpose unless otherwise authorized in law or
10 pursuant to an agreement between the home-to-school
11 transportation joint powers agency and the contracting county
12 superintendent of schools.

13 (k) (1) In addition to subdivision (j), of the funds a county
14 superintendent of schools receives for home-to-school
15 transportation programs, the county superintendent of schools shall
16 expend, pursuant to Article 2 (commencing with Section 39820)
17 of Chapter 1 of Part 23.5 of Division 3 of Title 2, Article 10
18 (commencing with Section 41850) of Chapter 5 of Part 24 of
19 Division 3 of Title 2, and the Small School District Transportation
20 program, as set forth in Article 4.5 (commencing with Section
21 42290) of Chapter 7 of Part 24 of Division 3 of Title 2, no less for
22 those programs than the amount of funds the county superintendent
23 of schools expended for home-to-school transportation in the
24 2012–13 fiscal year.

25 (2) For the 2013–14 and 2014–15 fiscal years only, if a
26 home-to-school transportation joint powers agency established in
27 accordance with Article 1 (commencing with Section 6500) of
28 Chapter 5 of Division 7 of Title 1 of the Government Code for
29 purposes of providing pupil transportation received, in the 2012–13
30 fiscal year, an apportionment of funds directly from the
31 Superintendent from any of the funding sources identified in
32 subparagraph (A) of paragraph (2) of subdivision (a), the
33 Superintendent shall apportion that same amount to the
34 home-to-school transportation joint powers agency.

35 (3) For the 2013–14 and 2014–15 fiscal years only, of the funds
36 a county superintendent of schools receives for purposes of regional
37 occupational centers or programs, or adult education, the county
38 superintendent of schools shall expend no less for each of those
39 programs than the amount of funds the county superintendent of
40 schools expended for purposes of regional occupational centers

1 or programs, or adult education, respectively, in the 2012–13 fiscal
2 year. For purposes of this paragraph, a county office of education
3 may include expenditures made by a school district within the
4 county for purposes of regional occupational centers or programs
5 so long as the total amount of expenditures made by the school
6 districts and the county office of education equal or exceed the
7 total amount required to be expended for purposes of regional
8 occupational centers or programs pursuant to this paragraph and
9 paragraph (7) of subdivision (a) of Section 42238.03.

10 (l) The funds apportioned pursuant to this section and Section
11 2574 shall be available to implement the activities required
12 pursuant to Article 4.5 (commencing with Section 52060) of
13 Chapter 6.1 of Part 28 of Division 4 of Title 2.

14 SEC. 7. Section 2576 of the Education Code is amended to
15 read:

16 2576. (a) If a county superintendent of schools enrolls in a
17 school operated by the county superintendent of schools a pupil
18 not funded pursuant to clause (i), (ii), or (iii) of subparagraph (A)
19 of paragraph (4) of subdivision (c) of Section 2574, or Article 2.5
20 (commencing with Section 48645) of Chapter 4 of Part 27 of
21 Division 4 of Title 2, any attendance generated by that pupil shall
22 be credited to the school district of residence. Enrollment of these
23 pupils shall be transferred to the school district of residence for
24 purposes of calculating the percentage of unduplicated pupils
25 pursuant to Section 42238.02.

26 (b) For purposes of this section, the school district of residence
27 for a homeless child, as defined in Section 1981.2, enrolled in a
28 school operated by a county superintendent of schools shall be
29 deemed to be the school district that last provided educational
30 services to that child or, if it is not possible to determine that school
31 district, the largest school district in the county.

32 SEC. 8. Section 8150.5 of the Education Code is amended to
33 read:

34 8150.5. Attendance of apprentices enrolled in any class
35 maintained by a local educational agency, pursuant to Section 3074
36 of the Labor Code, shall be reimbursed pursuant to Section 8152
37 only if reported separately to the Chancellor of the California
38 Community Colleges. Attendance reported pursuant to this section
39 shall be used only for purposes of calculating allowances pursuant
40 to Section 8152.

1 SEC. 9. Section 8151 of the Education Code is amended to
2 read:

3 8151. An apprentice attending a local educational agency in
4 classes of related and supplemental instruction as provided under
5 Section 3074 of the Labor Code and in accordance with the
6 requirements of subdivision (d) of Section 3078 of the Labor Code
7 shall be exempt from the requirements of any interdistrict
8 attendance agreement for those classes.

9 SEC. 10. Section 8152 of the Education Code is amended to
10 read:

11 8152. (a) The reimbursement rate shall be established in the
12 annual Budget Act and the rate shall be commonly applied to all
13 providers of instruction specified in subdivision (d).

14 (b) For purposes of this section, each hour of teaching time may
15 include up to 10 minutes of passing time and breaks.

16 (c) This section also applies to isolated apprentices, as defined
17 in Section 3074 of the Labor Code, for which alternative methods
18 of instruction are provided.

19 (d) The Chancellor of the California Community Colleges shall
20 make the reimbursements specified in this section for teaching
21 time provided by local educational agencies.

22 (e) The hours for related and supplemental instruction derived
23 from funds appropriated pursuant to subdivision (b) of Section
24 8150 shall be allocated by the Chancellor of California Community
25 Colleges directly to participating local educational agencies that
26 contract with apprenticeship programs pursuant to subdivision (f).

27 (f) Reimbursements may be made under this section for related
28 and supplemental instruction provided to indentured apprentices
29 only if the instruction is provided by a program approved by the
30 Division of Apprenticeship Standards in the Department of
31 Industrial Relations in accordance with Chapter 4 (commencing
32 with Section 3070) of Division 3 of the Labor Code.

33 (g) The initial allocation of hours made pursuant to subdivision
34 (e) for related and supplemental instruction at the beginning of
35 any fiscal year when multiplied by the hourly reimbursement rate
36 shall equal 100 percent of the total appropriation for
37 apprenticeships.

38 (h) If funds remain from the appropriation pursuant to
39 subdivision (b) of Section 8150, the Chancellor of the California
40 Community Colleges shall reimburse local educational agencies

1 for unfunded related and supplemental instruction hours from any
2 of the three previous fiscal years, in the following order:

3 (1) Reported related and supplemental instruction hours as
4 described in subdivision (b) of Section 8154 that were paid at a
5 rate less than the hourly rate specified in the Budget Act.

6 (2) Reported related and supplemental instruction hours that
7 were not reimbursed.

8 SEC. 11. Section 8154 of the Education Code is amended to
9 read:

10 8154. (a) The Chancellor of the California Community
11 Colleges, in consultation with the Division of Apprenticeship
12 Standards of the Department of Industrial Relations and the
13 Superintendent, shall annually review the amount of state funding
14 necessary to provide the reimbursements specified in Section 8152,
15 and shall include an estimate of required funds in its budget for
16 each fiscal year.

17 (b) If the amounts appropriated in any fiscal year are insufficient
18 to provide full reimbursement, the hourly rate specified pursuant
19 to Section 8152 shall be reduced on a pro rata basis only for
20 reported hours that are in excess of the number of hours allocated
21 at the beginning of the fiscal year so that the entire appropriation
22 is allocated.

23 (c) If the amount appropriated is in excess of the amounts needed
24 for full reimbursement pursuant to subdivision (h) of Section 8152,
25 any excess shall be allocated to local educational agencies to be
26 used for the purpose of the state general apportionment.

27 SEC. 12. Section 8155 of the Education Code is amended to
28 read:

29 8155. (a) The Chancellor of the California Community
30 Colleges and the Division of Apprenticeship Standards of the
31 Department of Industrial Relations, in consultation with the
32 Superintendent, shall jointly develop a model format for
33 agreements between apprenticeship programs and local educational
34 agencies for instruction pursuant to Section 3074 of the Labor
35 Code.

36 (b) By March 14, 2014, the Chancellor of the California
37 Community Colleges and the Division of Apprenticeship Standards
38 of the Department of Industrial Relations, with equal participation
39 by local educational agencies and community college
40 apprenticeship administrators, shall develop common

1 administrative practices and treatment of costs and services, as
2 well as other policies related to apprenticeship programs. Any
3 policies developed pursuant to the this subdivision shall become
4 operative upon approval by the California Apprenticeship Council.

5 (c) Apprenticeship programs offered through local educational
6 agencies may maintain their existing curriculum and instructors
7 separate from the requirements of the California Community
8 Colleges. The person providing instruction may be a qualified
9 journeyperson with experience and knowledge of the trade.

10 SEC. 13. Section 35736.5 of the Education Code is amended
11 to read:

12 35736.5. Sections 35735 to 35736, inclusive, shall only apply
13 to actions to reorganize school districts for which the order to
14 reorganize, pursuant to Section 35765, is appropriately filed after
15 December 1, 2013, pursuant to Section 54902 of the Government
16 Code. Actions to reorganize school districts for which the order
17 to reorganize is appropriately filed on or before December 1, 2013,
18 shall be implemented pursuant to Sections 35735 to 35736,
19 inclusive, as those sections read on January 1, 2013.

20 SEC. 14. Section 41365 of the Education Code is amended to
21 read:

22 41365. (a) The Charter School Revolving Loan Fund is hereby
23 created in the State Treasury. The Charter School Revolving Loan
24 Fund shall be composed of federal funds obtained by the state for
25 charter schools and any other funds appropriated or transferred to
26 the fund through the annual budget process. Funds appropriated
27 to the Charter School Revolving Loan Fund shall remain available
28 for purposes of the fund until reappropriated or reverted by the
29 Legislature through the annual Budget Act or any other act.

30 (b) Commencing with the 2013–14 fiscal year, the
31 administration of the Charter School Revolving Loan Fund shall
32 be transferred to the California School Finance Authority.

33 (c) Loans may be made from moneys in the Charter School
34 Revolving Loan Fund to a chartering authority for charter schools
35 that are not a conversion of an existing school, or directly to a
36 charter school that qualifies to receive funding pursuant to Chapter
37 6 (commencing with Section 47630) of Part 26.8 of Division 4
38 that is not a conversion of an existing school, upon application of
39 a chartering authority or charter school and approval by the
40 California School Finance Authority. Money loaned to a chartering

1 authority for a charter school, or to a charter school, pursuant to
2 this section shall be used only to meet the purposes of the charter
3 granted pursuant to Section 47605. The loan to a chartering
4 authority for a charter school, or to a charter school, pursuant to
5 this subdivision shall not exceed two hundred fifty thousand dollars
6 (\$250,000) over the lifetime of the charter school. A charter school
7 may receive money obtained from multiple loans made directly
8 to the charter school or to the school's chartering authority from
9 the Charter School Revolving Loan Fund, as long as the total
10 amount received from the fund over the lifetime of the charter
11 school does not exceed two hundred fifty thousand dollars
12 (\$250,000). This subdivision does not apply to a charter school
13 that obtains renewal of a charter pursuant to Section 47607.

14 (d) The California School Finance Authority may consider all
15 of the following when making a determination as to the approval
16 of a charter school's loan application:

17 (1) Soundness of the financial business plans of the applicant
18 charter school.

19 (2) Availability of the charter school of other sources of funding.

20 (3) Geographic distribution of loans made from the Charter
21 School Revolving Loan Fund.

22 (4) The impact that receipt of funds received pursuant to this
23 section will have on the charter school's receipt of other private
24 and public financing.

25 (5) Plans for creative uses of the funds received pursuant to this
26 section, such as loan guarantees or other types of credit
27 enhancements.

28 (6) The financial needs of the charter school.

29 (e) Priority for loans from the Charter School Revolving Loan
30 Fund shall be given to new charter schools for startup costs.

31 (f) Commencing with the first fiscal year following the fiscal
32 year the charter school receives the loan, the Controller shall deduct
33 from apportionments made to the chartering authority or charter
34 school, as appropriate, an amount equal to the annual repayment
35 of the amount loaned to the chartering authority or charter school
36 for the charter school under this section and pay the same amount
37 into the Charter School Revolving Loan Fund in the State Treasury.
38 Repayment of the full amount loaned to the chartering authority
39 or charter school shall be deducted by the Controller in equal
40 annual amounts over a number of years agreed upon between the

1 loan recipient and the state agency authorized to administer the
2 Charter School Revolving Loan Fund and the Charter School
3 Security Fund, not to exceed five years for any loan.

4 (g) (1) Notwithstanding any other law, a loan may be made
5 directly to a charter school pursuant to this section only in the case
6 of a charter school that is incorporated.

7 (2) Notwithstanding any other law, in the case of default of a
8 loan made directly to a charter school pursuant to this section, the
9 charter school shall be solely liable for repayment of the loan.

10 (h) The California School Finance Authority may adopt any
11 necessary rules and regulations for the implementation of this
12 section and Sections 41366.6 and 41367. Any regulations adopted
13 pursuant to this section may be adopted as emergency regulations
14 in accordance with the Administrative Procedure Act (Chapter 3.5
15 (commencing with Section 11340) of Part 1 of Division 3 of Title
16 2 of the Government Code). The adoption of these regulations
17 shall be deemed to be an emergency and necessary for the
18 immediate preservation of public peace, health and safety, or
19 general welfare.

20 SEC. 15. Section 41367 of the Education Code is amended to
21 read:

22 41367. (a) The Charter School Security Fund is hereby created
23 in the State Treasury.

24 (b) Moneys in the fund shall be available for deposit into the
25 Charter School Revolving Loan Fund in case of default on any
26 loan made from the Charter School Revolving Loan Fund.

27 (c) Commencing with the 2013–14 fiscal year, the administration
28 of the Charter School Security Fund shall be transferred to the
29 California School Finance Authority.

30 SEC. 16. Section 42127 of the Education Code is amended to
31 read:

32 42127. (a) On or before July 1 of each year, the governing
33 board of each school district shall accomplish the following:

34 (1) Hold a public hearing on the budget to be adopted for the
35 subsequent fiscal year. The budget to be adopted shall be prepared
36 in accordance with Section 42126. The agenda for that hearing
37 shall be posted at least 72 hours before the public hearing and shall
38 include the location where the budget will be available for public
39 inspection.

1 (A) For the 2011–12 fiscal year, notwithstanding any of the
2 standards and criteria adopted by the state board pursuant to Section
3 33127, each school district budget shall project the same level of
4 revenue per unit of average daily attendance as it received in the
5 2010–11 fiscal year and shall maintain staffing and program levels
6 commensurate with that level.

7 (B) For the 2011–12 fiscal year, the school district shall not be
8 required to demonstrate that it is able to meet its financial
9 obligations for the two subsequent fiscal years.

10 (2) Adopt a budget. Not later than five days after that adoption
11 or by July 1, whichever occurs first, the governing board of the
12 school district shall file that budget with the county superintendent
13 of schools. The budget and supporting data shall be maintained
14 and made available for public review. If the governing board of
15 the school district does not want all or a portion of the property
16 tax requirement levied for the purpose of making payments for the
17 interest and redemption charges on indebtedness as described in
18 paragraph (1) or (2) of subdivision (b) of Section 1 of Article
19 XIII A of the California Constitution, the budget shall include a
20 statement of the amount or portion for which a levy shall not be
21 made. For the 2014–15 fiscal year and each fiscal year thereafter,
22 the governing board of the school district shall not adopt a budget
23 before the governing board of the school district adopts a local
24 control and accountability plan, if an existing local control and
25 accountability plan or annual update to a local control and
26 accountability plan is not effective for the budget year. The
27 governing board of a school district shall not adopt a budget that
28 does not include the expenditures necessary to implement the local
29 control and accountability plan or the annual update to a local
30 control and accountability plan that is effective during the
31 subsequent fiscal year.

32 (b) The county superintendent of schools may accept changes
33 in any statement included in the budget, pursuant to subdivision
34 (a), of the amount or portion for which a property tax levy shall
35 not be made. The county superintendent of schools or the county
36 auditor shall compute the actual amounts to be levied on the
37 property tax rolls of the school district for purposes that exceed
38 apportionments to the school district pursuant to Chapter 6
39 (commencing with Section 95) of Part 0.5 of Division 1 of the
40 Revenue and Taxation Code. Each school district shall provide all

1 data needed by the county superintendent of schools or the county
2 auditor to compute the amounts. On or before August 15, the
3 county superintendent of schools shall transmit the amounts
4 computed to the county auditor who shall compute the tax rates
5 necessary to produce the amounts. On or before September 1, the
6 county auditor shall submit the rate computed to the board of
7 supervisors for adoption.

8 (c) The county superintendent of schools shall do all of the
9 following:

10 (1) Examine the adopted budget to determine whether it
11 complies with the standards and criteria adopted by the state board
12 pursuant to Section 33127 for application to final local educational
13 agency budgets. The county superintendent of schools shall
14 identify, if necessary, technical corrections that are required to be
15 made to bring the budget into compliance with those standards
16 and criteria.

17 (2) Determine whether the adopted budget will allow the school
18 district to meet its financial obligations during the fiscal year and
19 is consistent with a financial plan that will enable the school district
20 to satisfy its multiyear financial commitments. In addition to his
21 or her own analysis of the budget of each school district, the county
22 superintendent of schools shall review and consider studies, reports,
23 evaluations, or audits of the school district that were commissioned
24 by the school district, the county superintendent of schools, the
25 Superintendent, and state control agencies and that contain
26 evidence that the school district is showing fiscal distress under
27 the standards and criteria adopted in Section 33127 or that contain
28 a finding by an external reviewer that more than 3 of the 15 most
29 common predictors of a school district needing intervention, as
30 determined by the County Office Fiscal Crisis and Management
31 Assistance Team, are present. The county superintendent of schools
32 shall either conditionally approve or disapprove a budget that does
33 not provide adequate assurance that the school district will meet
34 its current and future obligations and resolve any problems
35 identified in studies, reports, evaluations, or audits described in
36 this paragraph.

37 (3) Determine whether the adopted budget includes the
38 expenditures necessary to implement the local control and
39 accountability plan or annual update to the local control and

1 accountability plan approved by the county superintendent of
2 schools.

3 (d) (1) On or before August 15, the county superintendent of
4 schools shall approve, conditionally approve, or disapprove the
5 adopted budget for each school district. For the 2014–15 fiscal
6 year and each fiscal year thereafter, the county superintendent of
7 schools shall disapprove a budget if the county superintendent of
8 schools determines that the budget does not include the
9 expenditures necessary to implement a local control and
10 accountability plan or an annual update to the local control and
11 accountability plan approved by the county superintendent of
12 schools. If a school district does not submit a budget to the county
13 superintendent of schools, the county superintendent of schools
14 shall develop, at school district expense, a budget for that school
15 district by September 15 and transmit that budget to the governing
16 board of the school district. The budget prepared by the county
17 superintendent of schools shall be deemed adopted, unless the
18 county superintendent of schools approves any modifications made
19 by the governing board of the school district. The approved budget
20 shall be used as a guide for the school district's priorities. The
21 Superintendent shall review and certify the budget approved by
22 the county. If, pursuant to the review conducted pursuant to
23 subdivision (c), the county superintendent of schools determines
24 that the adopted budget for a school district does not satisfy
25 paragraph (1), (2), or (3) of that subdivision, he or she shall
26 conditionally approve or disapprove the budget and, not later than
27 August 15, transmit to the governing board of the school district,
28 in writing, his or her recommendations regarding revision of the
29 budget and the reasons for those recommendations, including, but
30 not limited to, the amounts of any budget adjustments needed
31 before he or she can approve that budget. The county
32 superintendent of schools may assign a fiscal adviser to assist the
33 school district to develop a budget in compliance with those
34 revisions. In addition, the county superintendent of schools may
35 appoint a committee to examine and comment on the
36 superintendent's review and recommendations, subject to the
37 requirement that the committee report its findings to the county
38 superintendent of schools no later than August 20. For the 2011–12
39 fiscal year, notwithstanding any of the standards and criteria
40 adopted by the state board pursuant to Section 33127, the county

1 superintendent of schools, as a condition on approval of a school
2 district budget, shall not require a school district to project a lower
3 level of revenue per unit of average daily attendance than it
4 received in the 2010–11 fiscal year nor require the school district
5 to demonstrate that it is able to meet its financial obligations for
6 the two subsequent fiscal years.

7 (2) Notwithstanding any other provision of this article, for the
8 2014–15 fiscal year and each fiscal year thereafter, the budget
9 shall not be adopted or approved by the county superintendent of
10 schools before a local control and accountability plan or update to
11 an existing local control and accountability plan for the budget
12 year is approved.

13 (e) On or before September 8, the governing board of the school
14 district shall revise the adopted budget to reflect changes in
15 projected income or expenditures subsequent to July 1, and to
16 include any response to the recommendations of the county
17 superintendent of schools, shall adopt the revised budget, and shall
18 file the revised budget with the county superintendent of schools.
19 Before revising the budget, the governing board of the school
20 district shall hold a public hearing regarding the proposed revisions,
21 to be conducted in accordance with Section 42103. In addition, if
22 the adopted budget is disapproved pursuant to subdivision (d), the
23 governing board of the school district and the county
24 superintendent of schools shall review the disapproval and the
25 recommendations of the county superintendent of schools regarding
26 revision of the budget at the public hearing. The revised budget
27 and supporting data shall be maintained and made available for
28 public review.

29 (1) For the 2011–12 fiscal year, notwithstanding any of the
30 standards and criteria adopted by the state board pursuant to Section
31 33127, each school district budget shall project the same level of
32 revenue per unit of average daily attendance as it received in the
33 2010–11 fiscal year and shall maintain staffing and program levels
34 commensurate with that level.

35 (2) For the 2011–12 fiscal year, the school district shall not be
36 required to demonstrate that it is able to meet its financial
37 obligations for the two subsequent fiscal years.

38 (f) On or before September 22, the county superintendent of
39 schools shall provide a list to the Superintendent identifying all
40 school districts for which budgets may be disapproved.

1 (g) (1) The county superintendent of schools shall examine the
2 revised budget to determine whether it (1) complies with the
3 standards and criteria adopted by the state board pursuant to Section
4 33127 for application to final local educational agency budgets,
5 (2) allows the school district to meet its financial obligations during
6 the fiscal year, (3) satisfies all conditions established by the county
7 superintendent of schools in the case of a conditionally approved
8 budget, and (4) is consistent with a financial plan that will enable
9 the school district to satisfy its multiyear financial commitments,
10 and, not later than October 8, shall approve or disapprove the
11 revised budget. If the county superintendent of schools disapproves
12 the budget, he or she shall call for the formation of a budget review
13 committee pursuant to Section 42127.1, unless the governing board
14 of the school district and the county superintendent of schools
15 agree to waive the requirement that a budget review committee be
16 formed and the department approves the waiver after determining
17 that a budget review committee is not necessary. Upon the grant
18 of a waiver, the county superintendent of schools immediately has
19 the authority and responsibility provided in Section 42127.3. Upon
20 approving a waiver of the budget review committee, the department
21 shall ensure that a balanced budget is adopted for the school district
22 by November 30. If no budget is adopted by November 30, the
23 Superintendent may adopt a budget for the school district. The
24 Superintendent shall report to the Legislature and the Director of
25 Finance by December 10 if any school district, including a school
26 district that has received a waiver of the budget review committee
27 process, does not have an adopted budget by November 30. This
28 report shall include the reasons why a budget has not been adopted
29 by the deadline, the steps being taken to finalize budget adoption,
30 the date the adopted budget is anticipated, and whether the
31 Superintendent has or will exercise his or her authority to adopt a
32 budget for the school district. For the 2011–12 fiscal year,
33 notwithstanding any of the standards and criteria adopted by the
34 state board pursuant to Section 33127, the county superintendent
35 of schools, as a condition on approval of a school district budget,
36 shall not require a school district to project a lower level of revenue
37 per unit of average daily attendance than it received in the 2010–11
38 fiscal year nor require the school district to demonstrate that it is
39 able to meet its financial obligations for the two subsequent fiscal
40 years.

1 (2) Notwithstanding any other law, for the 2014–15 fiscal year
2 and each fiscal year thereafter, if the county superintendent of
3 schools disapproves the budget for the sole reason that the county
4 superintendent of schools has not approved a local control and
5 accountability plan or an annual update to the local control and
6 accountability plan filed by the school district pursuant to Section
7 52061, the county superintendent of schools shall not call for the
8 formation of a budget review committee pursuant to Section
9 42127.1.

10 (h) Not later than October 8, the county superintendent of
11 schools shall submit a report to the Superintendent identifying all
12 school districts for which budgets have been disapproved or budget
13 review committees waived. The report shall include a copy of the
14 written response transmitted to each of those school districts
15 pursuant to paragraph (1) of subdivision (d).

16 (i) Notwithstanding any other provision of this section, the
17 budget review for a school district shall be governed by paragraphs
18 (1), (2), and (3), rather than by subdivisions (e) and (g), if the
19 governing board of the school district so elects and notifies the
20 county superintendent of schools in writing of that decision, not
21 later than October 31 of the immediately preceding calendar year.
22 On or before July 1, the governing board of a school district for
23 which the budget review is governed by this subdivision, rather
24 than by subdivisions (e) and (g), shall conduct a public hearing
25 regarding its proposed budget in accordance with Section 42103.

26 (1) If the adopted budget of a school district is disapproved
27 pursuant to subdivision (d), on or before September 8, the
28 governing board of the school district, in conjunction with the
29 county superintendent of schools, shall review the superintendent's
30 recommendations at a regular meeting of the governing board of
31 the school district and respond to those recommendations. The
32 response shall include any revisions to the adopted budget and
33 other proposed actions to be taken, if any, as a result of those
34 recommendations.

35 (2) On or before September 22, the county superintendent of
36 schools shall provide a list to the Superintendent identifying all
37 school districts for which a budget may be tentatively disapproved.

38 (3) Not later than October 8, after receiving the response
39 required under paragraph (1), the county superintendent of schools
40 shall review that response and either approve or disapprove the

1 budget. Except as provided in paragraph (2) of subdivision (g), if
2 the county superintendent of schools disapproves the budget, he
3 or she shall call for the formation of a budget review committee
4 pursuant to Section 42127.1, unless the governing board of the
5 school district and the county superintendent of schools agree to
6 waive the requirement that a budget review committee be formed
7 and the department approves the waiver after determining that a
8 budget review committee is not necessary. Upon the grant of a
9 waiver, the county superintendent has the authority and
10 responsibility provided to a budget review committee in Section
11 42127.3. Upon approving a waiver of the budget review committee,
12 the department shall ensure that a balanced budget is adopted for
13 the school district by November 30. The Superintendent shall
14 report to the Legislature and the Director of Finance by December
15 10 if any school district, including a school district that has received
16 a waiver of the budget review committee process, does not have
17 an adopted budget by November 30. This report shall include the
18 reasons why a budget has not been adopted by the deadline, the
19 steps being taken to finalize budget adoption, and the date the
20 adopted budget is anticipated. For the 2011–12 fiscal year,
21 notwithstanding any of the standards and criteria adopted by the
22 state board pursuant to Section 33127, the county superintendent
23 of schools, as a condition on approval of a school district budget,
24 shall not require a school district to project a lower level of revenue
25 per unit of average daily attendance than it received in the 2010–11
26 fiscal year nor require the school district to demonstrate that it is
27 able to meet its financial obligations for the two subsequent fiscal
28 years.

29 (4) Not later than 45 days after the Governor signs the annual
30 Budget Act, the school district shall make available for public
31 review any revisions in revenues and expenditures that it has made
32 to its budget to reflect the funding made available by that Budget
33 Act.

34 (j) Any school district for which the county board of education
35 serves as the governing board of the school district is not subject
36 to subdivisions (c) to (h), inclusive, but is governed instead by the
37 budget procedures set forth in Section 1622.

38 SEC. 17. Section 42238.01 of the Education Code is amended
39 to read:

1 42238.01. For purposes of Section 42238.02, the following
2 definitions shall apply:

3 (a) “Eligible for free or reduced-price meals” means determined
4 to meet federal income eligibility criteria or deemed to be
5 categorically eligible for free or reduced-price meals under the
6 National School Lunch Program, as described in Part 245 of Title
7 7 of the Code of Federal Regulations.

8 (b) “Foster youth” means a foster child, as described in
9 subdivision (a) of Section 48853.5, or a nonminor under the
10 transition jurisdiction of the juvenile court, as described in Section
11 450 of the Welfare and Institutions Code, who satisfies all of the
12 following criteria:

13 (1) He or she has attained 18 years of age while under an order
14 of foster care placement by the juvenile court, and is not more than
15 19 years of age on or after January 1, 2012, not more than 20 years
16 of age on or after January 1, 2013, and not more than 21 years of
17 age, on or after January 1, 2014, and as described in Section
18 10103.5 of the Welfare and Institutions Code.

19 (2) He or she is in foster care under the placement and care
20 responsibility of the county welfare department, county probation
21 department, Indian tribe, consortium of tribes, or tribal organization
22 that entered into an agreement pursuant to Section 10553.1 of the
23 Welfare and Institutions Code.

24 (3) He or she is participating in a transitional independent living
25 case plan pursuant to Section 475(8) of the federal Social Security
26 Act (42 U.S.C. Sec. 675(8)), as contained in the federal Fostering
27 Connections to Success and Increasing Adoptions Act of 2008
28 (Public Law 110-351), as described in Section 11403 of the
29 Welfare and Institutions Code.

30 (c) “Pupils of limited English proficiency” means pupils who
31 do not have the clearly developed English language skills of
32 comprehension, speaking, reading, and writing necessary to receive
33 instruction only in English at a level substantially equivalent to
34 pupils of the same age or grade whose primary language is English.
35 “English learner” shall have the same meaning as is provided for
36 in subdivision (a) of Section 306 and as “pupils of limited English
37 proficiency.”

38 SEC. 18. Section 42238.02 of the Education Code is amended
39 to read:

1 42238.02. (a) The amount computed pursuant to this section
2 shall be known as the school district and charter school local
3 control funding formula.

4 (b) (1) For purposes of this section “unduplicated pupil” means
5 a pupil enrolled in a school district or a charter school who is either
6 classified as an English learner, eligible for a free or reduced-price
7 meal, or is a foster youth. A pupil shall be counted only once for
8 purposes of this section if any of the following apply:

9 (A) The pupil is classified as an English learner and is eligible
10 for a free or reduced-price meal.

11 (B) The pupil is classified as an English learner and is a foster
12 youth.

13 (C) The pupil is eligible for a free or reduced-price meal and is
14 classified as a foster youth.

15 (D) The pupil is classified as an English learner, is eligible for
16 a free or reduced-price meal, and is a foster youth.

17 (2) Under procedures and timeframes established by the
18 Superintendent, commencing with the 2013–14 fiscal year, a school
19 district or charter school shall annually submit its enrolled free
20 and reduced-price meal eligibility, foster youth, and English learner
21 pupil-level records for enrolled pupils to the Superintendent using
22 the California Longitudinal Pupil Achievement Data System.

23 (3) (A) Commencing with the 2013–14 fiscal year, a county
24 office of education shall review and validate certified aggregate
25 English learner, foster youth, and free or reduced-price meal
26 eligible pupil data for school districts and charter schools under
27 its jurisdiction to ensure the data is reported accurately. The
28 Superintendent shall provide each county office of education with
29 appropriate access to school district and charter school data reports
30 in the California Longitudinal Pupil Achievement Data System
31 for purposes of ensuring data reporting accuracy.

32 (B) The Controller shall include the instructions necessary to
33 enforce paragraph (2) in the audit guide required by Section
34 14502.1. The instructions shall include, but are not necessarily
35 limited to, procedures for determining if the English learner, foster
36 youth, and free or reduced-price meal eligible pupil counts are
37 consistent with the school district’s or charter school’s English
38 learner, foster youth, and free or reduced-price meal eligible pupil
39 records.

1 (4) The Superintendent shall make the calculations pursuant to
2 this section using the data submitted by local educational agencies,
3 including charter schools, through the California Longitudinal
4 Pupil Achievement Data System. Under timeframes and procedures
5 established by the Superintendent, school districts and charter
6 schools may review and revise their submitted data on English
7 learner, foster youth, and free or reduced-price meal eligible pupil
8 counts to ensure the accuracy of data reflected in the California
9 Longitudinal Pupil Achievement Data System.

10 (5) The Superintendent shall annually compute the percentage
11 of unduplicated pupils for each school district and charter school
12 by dividing the enrollment of unduplicated pupils in a school
13 district or charter school by the total enrollment in that school
14 district or charter school pursuant to all of the following:

15 (A) For the 2013–14 fiscal year, divide the sum of unduplicated
16 pupils for the 2013–14 fiscal year by the sum of the total pupil
17 enrollment for the 2013–14 fiscal year.

18 (B) For the 2014–15 fiscal year, divide the sum of unduplicated
19 pupils for the 2013–14 and 2014–15 fiscal years by the sum of the
20 total pupil enrollment for the 2013–14 and 2014–15 fiscal years.

21 (C) For the 2015–16 fiscal year and each fiscal year thereafter,
22 divide the sum of unduplicated pupils for the current fiscal year
23 and the two prior fiscal years by the sum of the total pupil
24 enrollment for the current fiscal year and the two prior fiscal years.

25 (c) Commencing with the 2013–14 fiscal year and each fiscal
26 year thereafter, the Superintendent shall annually calculate a local
27 control funding formula grant for each school district and charter
28 school in the state pursuant to this section.

29 (d) The Superintendent shall compute a grade span adjusted
30 base grant equal to the total of the following amounts:

31 (1) For the 2013–14 fiscal year, a base grant of:

32 (A) Six thousand eight hundred forty-five dollars (\$6,845) for
33 average daily attendance in kindergarten and grades 1 to 3,
34 inclusive.

35 (B) Six thousand nine hundred forty-seven dollars (\$6,947) for
36 average daily attendance in grades 4 to 6, inclusive.

37 (C) Seven thousand one hundred fifty-four dollars (\$7,154) for
38 average daily attendance in grades 7 and 8.

39 (D) Eight thousand two hundred eighty-nine dollars (\$8,289)
40 for average daily attendance in grades 9 to 12, inclusive.

1 (2) In each year the grade span adjusted base grants in paragraph
2 (1) shall be adjusted by the percentage change in the annual average
3 value of the Implicit Price Deflator for State and Local Government
4 Purchases of Goods and Services for the United States, as published
5 by the United States Department of Commerce for the 12-month
6 period ending in the third quarter of the prior fiscal year. This
7 percentage change shall be determined using the latest data
8 available as of May 10 of the preceding fiscal year compared with
9 the annual average value of the same deflator for the 12-month
10 period ending in the third quarter of the second preceding fiscal
11 year, using the latest data available as of May 10 of the preceding
12 fiscal year, as reported by the Department of Finance.

13 (3) (A) The Superintendent shall compute an additional
14 adjustment to the kindergarten and grades 1 to 3, inclusive, base
15 grant as adjusted for inflation pursuant to paragraph (2) equal to
16 10.4 percent. The additional grant shall be calculated by
17 multiplying the kindergarten and grades 1 to 3, inclusive, base
18 grant, as adjusted by paragraph (2), by 10.4 percent.

19 (B) Until paragraph (4) of subdivision (b) of Section 42238.03
20 is effective, as a condition of the receipt of funds in this paragraph,
21 a school district shall make progress toward maintaining an average
22 class enrollment of not more than 24 pupils for each schoolsite in
23 kindergarten and grades 1 to 3, inclusive, unless a collectively
24 bargained alternative annual average class enrollment for each
25 schoolsite in those grades is agreed to by the school district,
26 pursuant to the following calculation:

27 (i) Determine a school district's average class enrollment for
28 each schoolsite for kindergarten and grades 1 to 3, inclusive, in
29 the prior year. For the 2013–14 fiscal year, this amount shall be
30 the average class enrollment for each schoolsite for kindergarten
31 and grades 1 to 3, inclusive, in the 2012–13 fiscal year.

32 (ii) Determine a school district's proportion of total need
33 pursuant to paragraph (2) of subdivision (b) of Section 42238.03.

34 (iii) Determine the percentage of the need calculated in clause
35 (ii) that is met by funding provided to the school district pursuant
36 to paragraph (3) of subdivision (b) of Section 42238.03.

37 (iv) Determine the difference between the amount computed
38 pursuant to clause (i) and an average class enrollment of not more
39 than 24 pupils.

1 (v) Calculate a current year average class enrollment adjustment
2 for each schoolsite for kindergarten and grades 1 to 3, inclusive,
3 equal to the adjustment calculated in clause (iv) multiplied by the
4 percentage determined pursuant to clause (iii).

5 (C) School districts that have an average class enrollment for
6 each schoolsite for kindergarten and grades 1 to 3, inclusive, of
7 24 pupils or less for each schoolsite in the 2012–13 fiscal year,
8 shall be exempt from the requirements of subparagraph (B) so long
9 as the school district continues to maintain an average class
10 enrollment for each schoolsite for kindergarten and grades 1 to 3,
11 inclusive, of not more than 24 pupils, unless a collectively
12 bargained alternative ratio is agreed to by the school district.

13 (D) Upon full implementation of the local control funding
14 formula, as a condition of the receipt of funds in this paragraph,
15 all school districts shall maintain an average class enrollment for
16 each schoolsite for kindergarten and grades 1 to 3, inclusive, of
17 not more than 24 pupils for each schoolsite in kindergarten and
18 grades 1 to 3, inclusive, unless a collectively bargained alternative
19 ratio is agreed to by the school district.

20 (E) The average class enrollment requirement for each schoolsite
21 for kindergarten and grades 1 to 3, inclusive, established pursuant
22 to this paragraph shall not be subject to waiver by the state board
23 pursuant to Section 33050 or by the Superintendent.

24 (F) The Controller shall include the instructions necessary to
25 enforce this paragraph in the audit guide required by Section
26 14502.1. The instructions shall include, but are not necessarily
27 limited to, procedures for determining if the average class
28 enrollment for each schoolsite for kindergarten and grades 1 to 3,
29 inclusive, exceeds 24 pupils, or an alternative average class
30 enrollment for each schoolsite pursuant to a collectively bargained
31 alternative ratio. The procedures for determining average class
32 enrollment for each schoolsite shall include criteria for employing
33 sampling.

34 (4) The Superintendent shall compute an additional adjustment
35 to the base grant for grades 9 to 12, inclusive, as adjusted for
36 inflation pursuant to paragraph (2), equal to 2.6 percent. The
37 additional grant shall be calculated by multiplying the base grant
38 for grades 9 to 12, inclusive, as adjusted by paragraph (2), by 2.6
39 percent.

1 (e) The Superintendent shall compute a supplemental grant
2 add-on equal to 20 percent of the base grants as specified in
3 subparagraphs (A) to (D), inclusive, of paragraph (1) of subdivision
4 (d), as adjusted by paragraphs (2) to (4), inclusive, of subdivision
5 (d), for each school district's or charter school's percentage of
6 unduplicated pupils calculated pursuant to paragraph (5) of
7 subdivision (b). The supplemental grant shall be calculated by
8 multiplying the base grants as specified in subparagraphs (A) to
9 (D), inclusive, of paragraph (1), as adjusted by paragraphs (2) to
10 (4), inclusive, of subdivision (d), by 20 percent and by the
11 percentage of unduplicated pupils calculated pursuant to paragraph
12 (5) of subdivision (b) in that school district or charter school. The
13 supplemental grant shall be expended in accordance with the
14 regulations adopted pursuant to Section 42238.07.

15 (f) (1) The Superintendent shall compute a concentration grant
16 add-on equal to 50 percent of the base grants as specified in
17 subparagraphs (A) to (D), inclusive, of paragraph (1) of subdivision
18 (d), as adjusted by paragraphs (2) to (4), inclusive, of subdivision
19 (d), for each school district's or charter school's percentage of
20 unduplicated pupils calculated pursuant to paragraph (5) of
21 subdivision (b) in excess of 55 percent of the school district's or
22 charter school's total enrollment. The concentration grant shall be
23 calculated by multiplying the base grants as specified in
24 subparagraphs (A) to (D), inclusive, of paragraph (1) of subdivision
25 (d), as adjusted by paragraphs (2) to (4), inclusive, of subdivision
26 (d), by 50 percent and by the percentage of unduplicated pupils
27 calculated pursuant to paragraph (5) of subdivision (b) in excess
28 of 55 percent of the total enrollment in that school district or charter
29 school.

30 (2) For a charter school physically located in only one school
31 district, the percentage of unduplicated pupils calculated pursuant
32 to paragraph (5) of subdivision (b) in excess of 55 percent used to
33 calculate concentration grants shall not exceed the percentage of
34 unduplicated pupils calculated pursuant to paragraph (5) of
35 subdivision (b) in excess of 55 percent of the school district in
36 which the charter school is physically located. For a charter school
37 physically located in more than one school ~~district because of~~
38 ~~overlapping school district boundaries, district~~, the charter school's
39 percentage of unduplicated pupils calculated pursuant to paragraph
40 (5) of subdivision (b) in excess of 55 percent used to calculate

1 concentration grants shall not exceed that of the school district
2 with the highest percentage of unduplicated pupils calculated
3 pursuant to paragraph (5) of subdivision (b) in excess of 55 percent
4 of the school districts in which the charter school has a school
5 facility. ~~For a charter school physically located in more than one
6 school district because it provides classroom-based instruction in
7 more than one physical location, the percentage of unduplicated
8 pupils of that charter school shall not exceed the percentage of
9 unduplicated pupils of the school district in which the highest
10 proportion of the charter school's average daily attendance is
11 generated through classroom-based instruction, as defined in
12 paragraph (1) of subdivision (e) of Section 47612.5. If a charter
13 school provides nonclassroom-based instruction, as defined in
14 paragraph (2) of subdivision (e) of Section 47612.5, the percentage
15 of unduplicated pupils of that charter school shall not exceed the
16 percentage of unduplicated pupils of the charter school's chartering
17 authority, or, for a charter school approved pursuant to paragraph
18 (1) or (2) of subdivision (i) of Section 47632, the charter school's
19 sponsoring school district. *The concentration grant shall be
20 expended in accordance with the regulations adopted pursuant to
21 Section 42238.07.*~~

22 ~~(3) (A) Notwithstanding paragraph (2), for a charter school
23 authorized by a county board of education pursuant to Section
24 47605.5 or 47605.6, for purposes of calculating the concentration
25 grant for the charter school, the percentage of unduplicated pupils
26 shall not exceed the average percentage of unduplicated pupils
27 within the boundaries of the county.~~

28 ~~(B) Notwithstanding paragraph (2), for a charter school
29 authorized by the state board pursuant to Section 47605.8, for
30 purposes of calculating the concentration grant for the charter
31 school, the percentage of unduplicated pupils shall not exceed the
32 statewide average percentage of unduplicated pupils.~~

33 ~~(4) The concentration grant computed pursuant to paragraphs
34 (1) to (3), inclusive, shall be expended in accordance with the
35 regulations adopted pursuant to Section 42238.07.~~

36 (g) The Superintendent shall compute an add-on to the total
37 sum of a school district's or charter school's base, supplemental,
38 and concentration grants equal to the amount of funding a school
39 district or charter school received from funds allocated pursuant
40 to the Targeted Instructional Improvement Block Grant program,

1 as set forth in Article 6 (commencing with Section 41540) of
2 Chapter 3.2, for the 2012–13 fiscal year, as that article read on
3 January 1, 2013. A school district or charter school shall not receive
4 a total funding amount from this add-on greater than the total
5 amount of funding received by the school district or charter school
6 from that program in the 2012–13 fiscal year. The amount
7 computed pursuant to this subdivision shall reflect the reduction
8 specified in paragraph (2) of subdivision (a) of Section 42238.03.

9 (h) The Superintendent shall compute an add-on to the total
10 sum of a school district’s or charter school’s base, supplemental,
11 and concentration grants equal to the amount of funding a school
12 district or charter school received from funds allocated pursuant
13 to the Home-to-School Transportation program, as set forth in
14 former Article 2 (commencing with Section 39820) of Chapter 1
15 of Part 23.5, former Article 10 (commencing with Section 41850)
16 of Chapter 5, and the Small School District Transportation
17 program, as set forth in former Article 4.5 (commencing with
18 Section 42290), for the 2012–13 fiscal year. A school district or
19 charter school shall not receive a total funding amount from this
20 add-on greater than the total amount received by the school district
21 or charter school for those programs in the 2012–13 fiscal year.
22 The amount computed pursuant to this subdivision shall reflect
23 the reduction specified in paragraph (2) of subdivision (a) of
24 Section 42238.03.

25 (i) (1) The sum of the local control funding formula rates
26 computed pursuant to subdivisions (c) to (f), inclusive, shall be
27 multiplied by:

28 (A) For school districts, the average daily attendance of the
29 school district in the corresponding grade level ranges computed
30 pursuant to Section 42238.05, excluding the average daily
31 attendance computed pursuant to paragraph (2) of subdivision (a)
32 of Section 42238.05 for purposes of the computation specified in
33 subdivision (d).

34 (B) For charter schools, the total current year average daily
35 attendance in the corresponding grade level ranges.

36 (2) The amount computed pursuant to Article 4 (commencing
37 with Section 42280) shall be added to the amount computed
38 pursuant to paragraphs (1) to (4), inclusive, of subdivision (d), as
39 multiplied by subparagraph (A) or (B) of paragraph (1), as
40 appropriate.

1 (j) The Superintendent shall adjust the sum of each school
2 district's or charter school's amount determined in subdivisions
3 (g) to (i), inclusive, pursuant to the calculation specified in Section
4 42238.03, less the sum of the following:

5 (1) (A) For school districts, the property tax revenue received
6 pursuant to Chapter 3.5 (commencing with Section 75) and Chapter
7 6 (commencing with Section 95) of Part 0.5 of Division 1 of the
8 Revenue and Taxation Code.

9 (B) For charter schools, the in-lieu property tax amount provided
10 to a charter school pursuant to Section 47635.

11 (2) The amount, if any, received pursuant to Part 18.5
12 (commencing with Section 38101) of Division 2 of the Revenue
13 and Taxation Code.

14 (3) The amount, if any, received pursuant to Chapter 3
15 (commencing with Section 16140) of Part 1 of Division 4 of Title
16 2 of the Government Code.

17 (4) Prior years' taxes and taxes on the unsecured roll.

18 (5) Fifty percent of the amount received pursuant to Section
19 41603.

20 (6) The amount, if any, received pursuant to the Community
21 Redevelopment Law (Part 1 (commencing with Section 33000)
22 of Division 24 of the Health and Safety Code), less any amount
23 received pursuant to Section 33401 or 33676 of the Health and
24 Safety Code that is used for land acquisition, facility construction,
25 reconstruction, or remodeling, or deferred maintenance and that
26 is not an amount received pursuant to Section 33492.15, or
27 paragraph (4) of subdivision (a) of Section 33607.5, or Section
28 33607.7 of the Health and Safety Code that is allocated exclusively
29 for educational facilities.

30 (7) The amount, if any, received pursuant to Sections 34177,
31 34179.5, 34179.6, 34183, and 34188 of the Health and Safety
32 Code.

33 (8) Revenue received pursuant to subparagraph (B) of paragraph
34 (3) of subdivision (e) of Section 36 of Article XIII of the California
35 Constitution.

36 (k) A school district shall annually transfer to each of its charter
37 schools funding in lieu of property taxes pursuant to Section 47635.

38 (l) (1) Nothing in this section shall be interpreted to authorize
39 a school district that receives funding on behalf of a charter school
40 pursuant to Section 47651 to redirect this funding for another

1 purpose unless otherwise authorized in law pursuant to paragraph
2 (2) or pursuant to an agreement between the charter school and its
3 chartering authority.

4 (2) A school district that received funding on behalf of a locally
5 funded charter school in the 2012–13 fiscal year pursuant to
6 paragraph (2) of subdivision (b) of Section 42605, Section 42606,
7 and subdivision (b) of Section 47634.1, as those sections read on
8 January 1, 2013, or a school district that was required to pass
9 through funding to a conversion charter school in the 2012–13
10 fiscal year pursuant to paragraph (2) of subdivision (b) of Section
11 42606, as that section read on January 1, 2013, may annually
12 redirect for another purpose a percentage of the amount of the
13 funding received on behalf of that charter school. The percentage
14 of funding that may be redirected shall be determined pursuant to
15 the following computation:

16 (A) (i) Determine the sum of the need fulfilled for that charter
17 school pursuant to paragraph (3) of subdivision (b) of Section
18 42238.03 in the then current fiscal year for the charter school.

19 (ii) Determine the sum of the need fulfilled in every fiscal year
20 before the then current fiscal year pursuant to paragraph (3) of
21 subdivision (b) of Section 42238.03 adjusted for changes in average
22 daily attendance pursuant to paragraph (3) of subdivision (a) of
23 Section 42238.03 for the charter school.

24 (iii) Subtract the amount computed pursuant to paragraphs (1)
25 to (3), inclusive, of subdivision (a) of Section 42238.03 from the
26 amount computed for that charter school under the local control
27 funding formula entitlement computed pursuant to subdivision (i)
28 of Section 42238.02.

29 (iv) Compute a percentage by dividing the sum of the amounts
30 computed to clauses (i) and (ii) by the amount computed pursuant
31 to clause (iii).

32 (B) Multiply the percentage computed pursuant to subparagraph
33 (A) by the amount of funding the school district received on behalf
34 of the charter school in the 2012–13 fiscal year pursuant to
35 paragraph (2) of subdivision (b) of Section 42605, Section 42606,
36 and subdivision (b) of Section 47634.1, as those sections read on
37 January 1, 2013.

38 (C) The maximum amount that may be redirected shall be the
39 lesser of the amount of funding the school district received on
40 behalf of the charter school in the 2012–13 fiscal year pursuant to

1 paragraph (2) of subdivision (b) of Section 42605, Section 42606,
2 and subdivision (b) of Section 47634.1, as those sections read on
3 January 1, 2013, or the amount computed pursuant to subparagraph
4 (B).

5 (3) Commencing with the 2013–14 fiscal year, a school district
6 operating one or more affiliated charter schools shall provide each
7 affiliated charter school schoolsite with no less than the amount
8 of funding the schoolsite received pursuant to the charter school
9 block grant in the 2012–13 fiscal year.

10 (m) Any calculations in law that are used for purposes of
11 determining if a local educational agency is an excess tax school
12 entity or basic aid school district, including, but not limited to, this
13 section and Sections 42238.03, 41544, 47632, 47660, 47663,
14 48310, and 48359.5, and Section 95 of the Revenue and Taxation
15 Code, shall be made exclusive of the revenue received pursuant
16 to subparagraph (B) of paragraph (3) of subdivision (e) of Section
17 36 of Article XIII of the California Constitution.

18 (n) The funds apportioned pursuant to this section and Section
19 42238.03 shall be available to implement the activities required
20 pursuant to Article 4.5 (commencing with Section 52060) of
21 Chapter 6.1 of Part 28 of Division 4 of Title 2.

22 (o) A school district that does not receive an apportionment of
23 state funds pursuant to this section, as implemented pursuant to
24 Section 42238.03, excluding funds apportioned pursuant to the
25 requirements of subdivision (e) of Section 42238.03 shall be
26 considered a “basic aid school district” or an “excess tax entity.”

27 SEC. 19. Section 42238.025 of the Education Code is amended
28 to read:

29 42238.025. (a) In the 2013–14 fiscal year, the Superintendent
30 shall compute an economic recovery target rate for each school
31 district and charter school equal to the sum of the following:

32 (1) (A) For each school district, the school district’s revenue
33 limit in the 2012–13 fiscal year as computed pursuant to this article,
34 as this article read on January 1, 2013, divided by the 2012–13
35 fiscal year average daily attendance of the school district computed
36 pursuant to Section 42238.05. For purposes of this section, average
37 daily attendance shall include any applicable revenue limit average
38 daily attendance and shall be considered final for purposes of this
39 section as of the annual apportionment for the 2012–13 fiscal year,

1 as calculated for purposes of the certification required on or before
2 February 20, 2014, pursuant to Sections 41332 and 41339.

3 (B) For each charter school, the charter school’s general purpose
4 funding as computed pursuant to Article 2 (commencing with
5 Section 47633) of Chapter 6 of Part 26.8 of Division 4, as that
6 article read on January 1, 2013, and the in-lieu property tax amount
7 provided to the charter school pursuant to Section 47635, as that
8 section read on January 1, 2013, divided by the 2012–13 fiscal
9 year average daily attendance of the charter school computed
10 pursuant to Section 42238.05. For purposes of this section, average
11 daily attendance shall include any applicable charter school general
12 purpose funding average daily attendance and shall be considered
13 final for purposes of this section as of the annual apportionment
14 for the 2012–13 fiscal year, as calculated for purposes of the
15 certification required on or before February 20, 2014, pursuant to
16 Sections 41332 and 41339.

17 (C) The amounts determined pursuant to subparagraphs (A) and
18 (B) shall not reflect the deficit factor adjustments set forth in
19 Section 42238.146 as that section read on January 1, 2013.

20 (D) The amounts determined pursuant to subparagraphs (A)
21 and (B) shall be adjusted for the cost-of-living adjustment for the
22 2013–14 fiscal year pursuant to paragraph (2) of subdivision (d)
23 of Section 42238.02 and an annual average cost-of-living
24 adjustment of 1.94 percent for the 2014–15 fiscal year to the
25 2020–21 fiscal year, inclusive.

26 (2) (A) For each school district and charter school, the sum of
27 the entitlements from items contained in Section 2.00 of the Budget
28 Act of 2012 for Items 6110-104-0001, 6110-105-0001,
29 6110-108-0001, 6110-111-0001, 6110-124-0001, 6110-128-0001,
30 6110-137-0001, 6110-144-0001, 6110-156-0001, 6110-181-0001,
31 6110-188-0001, 6110-189-0001, 6110-190-0001, 6110-193-0001,
32 6110-195-0001, 6110-198-0001, 6110-204-0001, 6110-208-0001,
33 6110-209-0001, 6110-211-0001, 6110-212-0001, 6110-227-0001,
34 6110-228-0001, 6110-232-0001, 6110-240-0001, 6110-242-0001,
35 6110-243-0001, 6110-244-0001, 6110-245-0001, 6110-246-0001,
36 6110-247-0001, 6110-248-0001, 6110-260-0001, 6110-265-0001,
37 6110-267-0001, 6110-268-0001, 6360-101-0001, 2012–13 fiscal
38 year funding for the Class Size Reduction Program pursuant to
39 Chapter 6.10 (commencing with Section 52120) of Part 28 of
40 Division 4, as it read on January 1, 2013, and 2012–13 fiscal year

1 funding for pupils enrolled in community day schools who are
2 mandatorily expelled pursuant to subdivision (d) of Section 48915,
3 divided by the 2012–13 fiscal year average daily attendance of the
4 school district computed pursuant to Section 42238.05.

5 (B) The amounts determined pursuant to this subdivision shall
6 not be adjusted for the reduction set forth in Section 12.42 of the
7 Budget Act of 2012.

8 (b) Of the amounts computed for school districts pursuant to
9 subdivision (a), the Superintendent shall determine the funding
10 rate per unit of average daily attendance above which fall not more
11 than 10 percent of the total number of school districts statewide.

12 (c) The Superintendent shall compute a 2020–21 fiscal year
13 local control funding formula rate for each school district and
14 charter school equal to the amount computed pursuant to Section
15 42238.02 for the 2013–14 fiscal year, adjusted for an annual
16 average cost-of-living adjustment of 1.94 percent for the 2014–15
17 fiscal year to the 2020–21 fiscal year, inclusive, divided by the
18 2012–13 fiscal year average daily attendance of the school district
19 or charter school computed pursuant to Section 42238.05.

20 (d) (1) For each school district and charter school that has a
21 funding rate per unit of average daily attendance computed pursuant
22 to subdivision (a) that is equal to, or below, the funding rate per
23 unit of average daily attendance determined pursuant to subdivision
24 (b), the Superintendent shall subtract the amount computed
25 pursuant to subdivision (c) from the amount computed pursuant
26 to subdivision (a). Each school district or charter school for which
27 this calculation yields an amount greater than zero shall be eligible
28 for an economic recovery target payment equal to the amount of
29 the difference. A school district or charter school that has a funding
30 rate per unit of average daily attendance calculated pursuant to
31 subdivision (a) that exceeds the rate calculated pursuant to
32 subdivision (b) shall not be eligible for an economic recovery
33 target payment.

34 (2) Each school district or charter school eligible for an
35 economic recovery target payment pursuant to paragraph (1) shall
36 receive the following apportionments:

37 (A) For the 2013–14 fiscal year, one-eighth of the amount
38 calculated pursuant to paragraph (1) multiplied by the 2012–13
39 fiscal year average daily attendance computed pursuant to Section
40 42238.05.

1 (B) For the 2014–15 fiscal year, two-eighths of the amount
2 calculated pursuant to paragraph (1) multiplied by the 2012–13
3 fiscal year average daily attendance computed pursuant to Section
4 42238.05.

5 (C) For the 2015–16 fiscal year, three-eighths of the amount
6 calculated pursuant to paragraph (1) multiplied by the 2012–13
7 fiscal year average daily attendance computed pursuant to Section
8 42238.05.

9 (D) For the 2016–17 fiscal year, four-eighths of the amount
10 calculated pursuant to paragraph (1) multiplied by the 2012–13
11 fiscal year average daily attendance computed pursuant to Section
12 42238.05.

13 (E) For the 2017–18 fiscal year, five-eighths of the amount
14 calculated pursuant to paragraph (1) multiplied by the 2012–13
15 fiscal year average daily attendance computed pursuant to Section
16 42238.05.

17 (F) For the 2018–19 fiscal year, six-eighths of the amount
18 calculated pursuant to paragraph (1) multiplied by the 2012–13
19 fiscal year average daily attendance computed pursuant to Section
20 42238.05.

21 (G) For the 2019–20 fiscal year, seven-eighths of the amount
22 calculated pursuant to paragraph (1) multiplied by the 2012–13
23 fiscal year average daily attendance computed pursuant to Section
24 42238.05.

25 (H) For the 2020–21 fiscal year and each fiscal year thereafter,
26 the amount calculated pursuant to paragraph (1) multiplied by the
27 2012–13 fiscal year average daily attendance computed pursuant
28 to Section 42238.05.

29 (3) In each fiscal year until a determination has been made that
30 all school districts and charter schools equal or exceed the local
31 control funding formula target computed pursuant to Section
32 42238.02, as determined by the calculation of a zero difference
33 pursuant to paragraph (1) of subdivision (b) of Section 42238.03,
34 the economic recovery target payment apportioned to each eligible
35 school district or charter school pursuant to paragraph (2) shall be
36 added to the school district's or charter school's funding amounts
37 that are continuously appropriated pursuant to subdivision (a) of
38 Section 42238.03 and included in the amount of funding that may
39 be offset pursuant to subdivision (c) of Section 42238.03. The

1 amount apportioned pursuant to paragraph (2) shall not receive a
2 cost-of-living adjustment.

3 (4) Commencing with the first fiscal year in which all school
4 districts and charter schools are apportioned funding pursuant to
5 Section 42238.02, the economic recovery target calculated pursuant
6 to paragraph (2) shall be included as an add-on to the amounts
7 computed pursuant to subdivisions (c) to (i), inclusive, of Section
8 42238.02 and included in the amount of funding that may be offset
9 pursuant to subdivision (j) of Section 42238.02. The amount
10 included as an add-on pursuant to this paragraph shall not receive
11 a cost-of-living adjustment.

12 SEC. 20. Section 42238.03 of the Education Code is amended
13 to read:

14 42238.03. (a) Commencing with the 2013–14 fiscal year and
15 each fiscal year thereafter, the Superintendent shall calculate a
16 base entitlement for the transition to the local control funding
17 formula for each school district and charter school equal to the
18 sum of the amounts computed pursuant to paragraphs (1) to (4),
19 inclusive. The amounts computed pursuant to paragraphs (1) to
20 (4), inclusive, shall be continuously appropriated pursuant to
21 Section 14002.

22 (1) The current fiscal year base entitlement funding level shall
23 be the sum of all of the following:

24 (A) For school districts, revenue limits in the 2012–13 fiscal
25 year as computed pursuant to Article 2 (commencing with Section
26 42238), as that article read on January 1, 2013, divided by the
27 2012–13 average daily attendance of the school district computed
28 pursuant to Section 42238.05. That quotient shall be multiplied
29 by the current fiscal year average daily attendance of the school
30 district computed pursuant Section 42238.05. A school district's
31 2012–13 fiscal year revenue limit funding shall exclude amounts
32 computed pursuant to Article 4 (commencing with Section 42280).

33 (B) (i) For charter schools, general purpose funding as
34 computed pursuant to Article 2 (commencing with Section 47633)
35 of Chapter 6, as that article read on January 1, 2013, and the
36 amount of in-lieu property tax provided to the charter school
37 pursuant to Section 47635, as that section read on June 30, 2013,
38 divided by the 2012–13 average daily attendance of the charter
39 school computed pursuant to Section 42238.05. That quotient shall

1 be multiplied by the current fiscal year average daily attendance
2 of the charter school computed pursuant to Section 42238.05.

3 (ii) The amount computed pursuant to clause (i) shall exclude
4 funds received by a charter school pursuant to Section 47634.1,
5 as that section read on January 1, 2013.

6 (C) The amount computed pursuant to subparagraph (A) shall
7 exclude funds received pursuant to Section 47633, as that section
8 read on January 1, 2013.

9 (D) For school districts, funding for qualifying necessary small
10 high school and necessary small elementary schools shall be
11 adjusted to reflect the funding levels that correspond to the 2012–13
12 necessary small high school and necessary small elementary school
13 allowances pursuant Article 4 (commencing with Section 42280)
14 and Section 42238.146, as those provisions read on January 1,
15 2013.

16 (2) Entitlements from items contained in Section 2.00, as
17 adjusted pursuant to Section 12.42, of the Budget Act of 2012 for
18 Items 6110-104-0001, 6110-105-0001, 6110-108-0001,
19 6110-111-0001, 6110-124-0001, 6110-128-0001, 6110-137-0001,
20 6110-144-0001, 6110-156-0001, 6110-181-0001, 6110-188-0001,
21 6110-189-0001, 6110-190-0001, 6110-193-0001, 6110-195-0001,
22 6110-198-0001, 6110-204-0001, 6110-208-0001, 6110-209-0001,
23 6110-211-0001, 6110-212-0001, 6110-227-0001, 6110-228-0001,
24 6110-232-0001, 6110-240-0001, 6110-242-0001, 6110-243-0001,
25 6110-244-0001, 6110-245-0001, 6110-246-0001, 6110-247-0001,
26 6110-248-0001, 6110-260-0001, 6110-265-0001, 6110-267-0001,
27 6110-268-0001, 6360-101-0001, 2012–13 fiscal year funding for
28 the Class Size Reduction Program pursuant to Chapter 6.10
29 (commencing with Section 52120) of Part 28 of Division 4, as it
30 read on January 1, 2013, and 2012–13 fiscal year funding for pupils
31 enrolled in community day schools who are mandatorily expelled
32 pursuant to subdivision (d) of Section 48915. The entitlement for
33 basic aid school districts shall include the reduction of 8.92 percent
34 as applied pursuant to subparagraph (A) of paragraph (1) of
35 subdivision (a) of Section 3 of Chapter 2 of the Statutes of 2012.

36 (3) The allocations pursuant to Sections 42606 and 47634.1, as
37 those sections read on January 1, 2013, divided by the 2012–13
38 average daily attendance of the charter school computed pursuant
39 to Section 42238.05. That quotient shall be multiplied by the

1 current fiscal year average daily attendance of the charter school
2 computed pursuant to Section 42238.05.

3 (4) The amount allocated to a school district or charter school
4 pursuant to paragraph (3) of subdivision (b) for the fiscal years
5 before the current fiscal year divided by the average daily
6 attendance of the school district or charter school for the fiscal
7 years before the current fiscal year computed pursuant to Section
8 42238.05. That quotient shall be multiplied by the current fiscal
9 year average daily attendance of the school district or charter school
10 computed pursuant to Section 42238.05.

11 (5) (A) For the 2013–14 and 2014–15 fiscal years only, a school
12 district that, in the 2012–13 fiscal year, from any of the funding
13 sources identified in paragraph (1) or (2), received funds on behalf
14 of, or provided funds to, a regional occupational center or program
15 joint powers agency established in accordance with Article 1
16 (commencing with Section 6500) of Chapter 5 of Division 7 of
17 Title 1 of the Government Code for purposes of providing
18 instruction to secondary pupils shall not redirect that funding for
19 another purpose unless otherwise authorized in law or pursuant to
20 an agreement between the regional occupational center or program
21 joint powers agency and the contracting school district.

22 (B) For the 2013–14 and 2014–15 fiscal years only, if a regional
23 occupational center or program joint powers agency established
24 in accordance with Article 1 (commencing with Section 6500) of
25 Chapter 5 of Division 7 of Title 1 of the Government Code for
26 purposes of providing instruction to pupils enrolled in grades 9 to
27 12, inclusive, received, in the 2012–13 fiscal year, an
28 apportionment of funds directly from any of the funding sources
29 identified in subparagraph (A) of paragraph (2) of subdivision (a),
30 the Superintendent shall apportion that same amount to the regional
31 occupational center or program joint powers agency.

32 (6) (A) (i) For the 2013–14 and 2014–15 fiscal years only, a
33 school district that, in the 2012–13 fiscal year, from any of the
34 funding sources identified in paragraph (1) or (2), received funds
35 on behalf of, or provided funds to, a home-to-school transportation
36 joint powers agency established in accordance with Article 1
37 (commencing with Section 6500) of Chapter 5 of Division 7 of
38 Title 1 of the Government Code for purposes of providing pupil
39 transportation shall not redirect that funding for another purpose
40 unless otherwise authorized in law or pursuant to an agreement

1 between the home-to-school transportation joint powers agency
2 and the contracting school district.

3 (ii) For the 2013–14 and 2014–15 fiscal years only, if a
4 home-to-school transportation joint powers agency established in
5 accordance with Article 1 (commencing with Section 6500) of
6 Chapter 5 of Division 7 of Title 1 of the Government Code for
7 purposes of providing pupil transportation received, in the 2012–13
8 fiscal year, an apportionment of funds directly from the
9 Superintendent from any of the funding sources identified in
10 subparagraph (A) of paragraph (2) of subdivision (a), the
11 Superintendent shall apportion that same amount to the
12 home-to-school transportation joint powers agency.

13 (B) In addition to subparagraph (A), of the funds a school district
14 receives for home-to-school transportation programs the school
15 district shall expend, pursuant to Article 2 (commencing with
16 Section 39820) of Chapter 1 of Part 23.5, Article 10 (commencing
17 with Section 41850) of Chapter 5, and the Small School District
18 Transportation program, as set forth in Article 4.5 (commencing
19 with Section 42290) of Chapter 7 of Part 24 of Division 3 of Title
20 2, no less for those programs than the amount of funds the school
21 district expended for home-to-school transportation in the 2012–13
22 fiscal year.

23 (7) For the 2013–14 and 2014–15 fiscal years only, of the funds
24 a school district receives for purposes of regional occupational
25 centers or programs, or adult education, the school district shall
26 expend no less than the amount of funds the school district
27 expended for purposes of regional occupational centers or
28 programs, or adult education, respectively, in the 2012–13 fiscal
29 year. For purposes of this paragraph, a school district may include
30 expenditures made by its county office of education within the
31 school district for purposes of regional occupational centers or
32 programs so long as the total amount of expenditures by the school
33 district and the county office of education equal or exceed the total
34 amount required to be expended for purposes of regional
35 occupational centers or programs pursuant to this paragraph and
36 paragraph (3) of subdivision (k) of Section 2575.

37 (b) Compute an annual local control funding formula transition
38 adjustment for each school district and charter school as follows:

39 (1) Subtract the amount computed pursuant to paragraphs (1)
40 to (4), inclusive, of subdivision (a) from the amount computed for

1 each school district or charter school under the local control
2 funding formula entitlements computed pursuant to Section
3 42238.02. School districts and charter schools with a negative
4 difference shall be deemed to have a zero difference.

5 (2) Each school district's and charter school's total need, as
6 calculated pursuant to paragraph (1), shall be divided by the sum
7 of all school districts' and charter schools' total need to determine
8 the school district's or charter school's respective proportions of
9 total need.

10 (3) Each school district's and charter school's proportion of
11 total need shall be multiplied by any available appropriations
12 specifically made for purposes of this subdivision, and added to
13 the school district's or charter school's funding amounts as
14 calculated pursuant to subdivision (a).

15 (4) If the total amount of funds appropriated for purposes of
16 paragraph (3) pursuant to this subdivision are sufficient to fully
17 fund any positive amounts computed pursuant to paragraph (1),
18 the local control funding formula grant computed pursuant to
19 subdivision (c) of Section 42238.02 shall be adjusted to ensure
20 that any available appropriation authority is expended for purposes
21 of the local control funding formula.

22 (5) Commencing with the first fiscal year after either paragraph
23 (4) of this subdivision or paragraph (2) of subdivision (g) applies,
24 the adjustments in paragraph (2) of subdivision (d) of Section
25 42238.02 shall be made only if an appropriation for those
26 adjustments is included in the annual Budget Act.

27 (c) The Superintendent shall subtract from the amounts
28 computed pursuant to subdivisions (a) and (b) the sum of the
29 following:

30 (1) (A) For school districts, the property tax revenue received
31 pursuant to Chapter 3.5 (commencing with Section 75) and Chapter
32 6 (commencing with Section 95) of Part 0.5 of Division 1 of the
33 Revenue and Taxation Code.

34 (B) For charter schools, the in-lieu property tax amount provided
35 to a charter school pursuant to Section 47635.

36 (2) The amount, if any, received pursuant to Part 18.5
37 (commencing with Section 38101) of Division 2 of the Revenue
38 and Taxation Code.

1 (3) The amount, if any, received pursuant to Chapter 3
2 (commencing with Section 16140) of Part 1 of Division 4 of Title
3 2 of the Government Code.

4 (4) Prior years' taxes and taxes on the unsecured roll.

5 (5) Fifty percent of the amount received pursuant to Section
6 41603.

7 (6) The amount, if any, received pursuant to the Community
8 Redevelopment Law (Part 1 (commencing with Section 33000)
9 of Division 24 of the Health and Safety Code), less any amount
10 received pursuant to Section 33401 or 33676 of the Health and
11 Safety Code that is used for land acquisition, facility construction,
12 reconstruction, or remodeling, or deferred maintenance and that
13 is not an amount received pursuant to Section 33492.15, or
14 paragraph (4) of subdivision (a) of Section 33607.5, or Section
15 33607.7 of the Health and Safety Code that is allocated exclusively
16 for educational facilities.

17 (7) The amount, if any, received pursuant to Sections 34177,
18 34179.5, 34179.6, 34183, and 34188 of the Health and Safety
19 Code.

20 (8) Revenue received pursuant to subparagraph (B) of paragraph
21 (3) of subdivision (e) of Section 36 of Article XIII of the California
22 Constitution.

23 (d) A school district or charter school that has a zero difference
24 pursuant to paragraph (1) of subdivision (b) in the prior fiscal year
25 shall receive an entitlement equal to the amount calculated pursuant
26 to Section 42238.02 in the current fiscal year and future fiscal
27 years.

28 (e) Notwithstanding the computations pursuant to subdivisions
29 (b) to (d), inclusive, and Section 42238.02, commencing with the
30 2013–14 fiscal year, a school district or charter school shall receive
31 state-aid funding of no less than the sum of the amounts computed
32 pursuant to paragraphs (1) to (3), inclusive.

33 (1) (A) For school districts, revenue limits in the 2012–13 fiscal
34 year as computed pursuant to Article 2 (commencing with Section
35 42238), as that article read on January 1, 2013, divided by the
36 2012–13 average daily attendance of the school district computed
37 pursuant to Section 42238.05. That quotient shall be multiplied
38 by the current fiscal year average daily attendance of the school
39 district computed pursuant Section 42238.05. A school district's

1 2012–13 revenue limit funding shall exclude amounts computed
2 pursuant to Article 4 (commencing with Section 42280).

3 (B) (i) For charter schools, general purpose funding in the
4 2012–13 fiscal year as computed pursuant to Article 2
5 (commencing with Section 47633) of Chapter 6, as that article
6 read on January 1, 2013, and the amount of in-lieu property tax
7 provided to the charter school in the 2012–13 fiscal year pursuant
8 to Section 47635, as that section read on January 1, 2013, divided
9 by the 2012–13 average daily attendance of the charter school
10 computed pursuant to Section 42238.05. That quotient shall be
11 multiplied by the current fiscal year average daily attendance of
12 the charter school computed pursuant to Section 42238.05.

13 (ii) The amount computed pursuant to clause (i) shall exclude
14 funds received by a charter school pursuant to Section 47634.1,
15 as that section read on January 1, 2013.

16 (C) The amount computed pursuant to subparagraph (A) shall
17 exclude funds received pursuant to Section 47633, as that section
18 read on January 1, 2013.

19 (D) For school districts, the 2012–13 funding allowance
20 provided for qualifying necessary small high schools and necessary
21 small elementary schools pursuant to Article 4 (commencing with
22 Section 42280) and Section 42238.146, as those provisions read
23 on January 1, 2013.

24 (E) The amount computed pursuant to subparagraphs (A) to
25 (D), inclusive, shall be reduced by the sum of the amount computed
26 pursuant to paragraphs (1) to (8), inclusive, of subdivision (c).

27 (2) (A) Entitlements from items contained in Section 2.00, as
28 adjusted pursuant to Section 12.42, of the Budget Act of 2012 for
29 Items 6110-104-0001, 6110-105-0001, 6110-108-0001,
30 6110-111-0001, 6110-124-0001, 6110-128-0001, 6110-137-0001,
31 6110-144-0001, 6110-156-0001, 6110-181-0001, 6110-188-0001,
32 6110-189-0001, 6110-190-0001, 6110-193-0001, 6110-195-0001,
33 6110-198-0001, 6110-204-0001, 6110-208-0001, 6110-209-0001,
34 6110-211-0001, 6110-212-0001, 6110-227-0001, 6110-228-0001,
35 6110-232-0001, 6110-240-0001, 6110-242-0001, 6110-243-0001,
36 6110-244-0001, 6110-245-0001, 6110-246-0001, 6110-247-0001,
37 6110-248-0001, 6110-260-0001, 6110-265-0001, 6110-267-0001,
38 6110-268-0001, 6360-101-0001, 2012–13 fiscal year funding for
39 the Class Size Reduction Program pursuant to Chapter 6.10
40 (commencing with Section 52120) of Part 28 of Division 4, as it

1 read on January 1, 2013, and 2012–13 fiscal year funding for pupils
2 enrolled in community day schools who are mandatorily expelled
3 pursuant to subdivision (d) of Section 48915. Notwithstanding
4 Section 39 of Chapter 38 of the Statutes of 2012, the entitlement
5 for basic aid school districts shall include the reduction of 8.92
6 percent as applied pursuant to subparagraph (A) of paragraph (1)
7 of subdivision (a) of Section 3 of Chapter 2 of the Statutes of 2012.

8 (B) The Superintendent shall annually apportion any entitlement
9 provided to the state special schools from the items specified in
10 subparagraph (A) to the state special schools in the same amount
11 as the state special schools received from those items in the
12 2012–13 fiscal year.

13 (3) The allocations pursuant to Sections 42606 and 47634.1, as
14 those sections read on January 1, 2013, divided by the 2012–13
15 average daily attendance of the charter school. That quotient shall
16 be multiplied by the current fiscal year average daily attendance
17 of the charter school.

18 (f) (1) For purposes of this section, commencing with the
19 2013–14 fiscal year and until all school districts and charter schools
20 equal or exceed their local control funding formula target computed
21 pursuant to Section 42238.02, as determined by the calculation of
22 a zero difference pursuant to paragraph (1) of subdivision (b), a
23 newly operational charter school shall be determined to have a
24 prior year per average daily attendance funding amount equal to
25 the lesser of:

26 (A) ~~(i)~~—The prior year funding amount per unit of average daily
27 attendance for the school district in which the charter school is
28 physically located. The Superintendent shall calculate the funding
29 amount per unit of average daily attendance for this purpose by
30 dividing the total local control funding formula entitlement,
31 calculated pursuant to subdivisions (a) and (b), received by that
32 school district in the prior year by prior year funded average daily
33 attendance of that school district. For purposes of this
34 subparagraph, a charter school that is physically located in more
35 than one school district ~~because of overlapping school district~~
36 ~~boundaries~~ shall use the calculated local control funding entitlement
37 per unit of average daily attendance of the school district with the
38 highest prior year funding amount per unit of average daily
39 attendance.

1 ~~(ii) For purposes of this subparagraph, if a charter school is~~
2 ~~physically located in more than one school district and provides~~
3 ~~classroom-based instruction, as defined in paragraph (1) of~~
4 ~~subdivision (e) of Section 47612.5, in more than one physical~~
5 ~~location, the prior year funding amount per unit of average daily~~
6 ~~attendance of that charter school shall be deemed to be that of the~~
7 ~~school district in which the highest proportion of the charter~~
8 ~~school's average daily attendance is generated through~~
9 ~~classroom-based instruction. For purposes of this subparagraph,~~
10 ~~the prior year funding amount per unit of average daily attendance~~
11 ~~for a charter school that provides nonclassroom-based instruction,~~
12 ~~as defined in paragraph (2) of subdivision (e) of Section 47612.5,~~
13 ~~shall be that of the charter school's chartering authority, or, for a~~
14 ~~charter school approved pursuant to paragraph (1) or (2) of~~
15 ~~subdivision (i) of Section 47632, the charter school's sponsoring~~
16 ~~school district.~~

17 (B) The charter school's local control funding formula rate
18 computed pursuant to subdivisions (c) to (i), inclusive, of Section
19 42238.02.

20 (C) ~~For purposes of subparagraph (A), a charter school~~
21 ~~commencing operations in a school district that includes funding~~
22 ~~pursuant to Article 4 (commencing with Section 42280) as part of~~
23 ~~the local control funding formula computation pursuant to Section~~
24 ~~42238.02 in the previous fiscal year, or that received funding~~
25 ~~pursuant to Article 4 (commencing with Section 42280) in the~~
26 ~~2012-13 fiscal year, shall use the statewide average calculated~~
27 ~~local control funding entitlement per unit of average daily~~
28 ~~attendance in lieu of the highest prior year funding amount per~~
29 ~~unit of average daily attendance for the school district in which~~
30 ~~the charter school is located.~~

31 (D) (i) ~~For purposes of subparagraph (A), a charter school~~
32 ~~authorized pursuant to Section 47605.6 or pursuant to subdivision~~
33 ~~(e) of Section 47631, shall use the countywide average calculated~~
34 ~~local control funding entitlement per unit of average daily~~
35 ~~attendance in lieu of the highest prior year funding amount per~~
36 ~~unit of average daily attendance for the school district in which~~
37 ~~the charter school is located.~~

38 (ii) ~~For purposes of subparagraph (A), a charter school~~
39 ~~authorized pursuant to Section 47605.8 shall use the statewide~~
40 ~~average calculated local control funding entitlement per unit of~~

1 ~~average daily attendance in lieu of the highest prior year funding~~
2 ~~amount per unit of average daily attendance for the school district~~
3 ~~in which the charter school is located.~~

4 (2) For charter schools funded pursuant to paragraph (1), the
5 charter school shall be eligible to receive growth funding pursuant
6 to subdivision (b) toward meeting the newly operational charter
7 school's local control funding formula target.

8 (3) Upon a determination that all school districts and charter
9 schools equal or exceed the local control funding formula target
10 computed pursuant to Section 42238.02, as determined by the
11 calculation of a zero difference pursuant to paragraph (1) of
12 subdivision (b) for all school districts and charter schools, this
13 subdivision shall not apply and the charter school shall receive an
14 allocation equal to the amount calculated under Section 42238.02
15 in that fiscal year and future fiscal years.

16 (g) (1) In each fiscal year the Superintendent shall determine
17 the percentage of school districts that are apportioned funding
18 pursuant to this section that is less than the amount computed
19 pursuant to Section 42238.02 as of the second principal
20 apportionments of the fiscal year. If the percentage is less than 10
21 percent, the Superintendent shall apportion funding to school
22 districts and charter schools equal to the amount computed pursuant
23 to Section 42238.02 in that fiscal year.

24 (2) For each fiscal year thereafter, the Superintendent shall
25 apportion funding to a school district and charter school equal to
26 the amount computed pursuant to Section 42238.02.

27 SEC. 21. Section 42238.05 of the Education Code is amended
28 to read:

29 42238.05. (a) For purposes of Sections 42238.02, 42238.025,
30 and 42238.03, the fiscal year average daily attendance for a school
31 district shall be computed pursuant to paragraphs (1) to (3),
32 inclusive, as applicable.

33 (1) The second principal apportionment regular average daily
34 attendance for either the current or prior fiscal year, whichever is
35 greater, excluding units of average daily attendance resulting from
36 pupils attending schools funded pursuant to Article 4 (commencing
37 with Section 42280).

38 (2) The units of average daily attendance resulting from pupils
39 attending schools funded pursuant to Article 4 (commencing with
40 Section 42280).

1 (3) Prior fiscal year average daily attendance shall be adjusted
2 for any loss or gain of average daily attendance due to a
3 reorganization or transfer of territory.

4 (b) For purposes of this article, regular average daily attendance
5 shall be the base grant average daily attendance.

6 (c) For purposes of this section, the Superintendent shall
7 distribute total ungraded enrollment and average daily attendance
8 among kindergarten and each of grades 1 to 12, inclusive, in
9 proportion to the amounts of graded enrollment and average daily
10 attendance, respectively, in each of these grades.

11 ~~(d) For purposes of this section, the Superintendent shall~~
12 ~~distribute average daily attendance generated by the difference~~
13 ~~between prior year average daily attendance and current year~~
14 ~~average daily attendance, if positive, among kindergarten and each~~
15 ~~of grades 1 to 12, inclusive, in proportion to the amounts of graded~~
16 ~~average daily attendance, respectively, in each of these grades.~~

17 ~~(e) This section~~

18 ~~(d) Subdivisions (a) to (c), inclusive,~~ shall only apply to average
19 daily attendance generated by school districts and shall not apply
20 to average daily attendance generated by charter schools.

21 ~~(f)~~

22 (e) A pupil shall not be counted more than once for purposes
23 of calculating average daily attendance pursuant to this section.

24 ~~(g) Notwithstanding subdivisions (a) to (f), inclusive, for~~

25 (f) For purposes of Sections 42238.02, 42238.025, and
26 42238.03, average daily attendance for a charter school shall be
27 the total current year average daily attendance in the corresponding
28 grade level ranges for the charter school as computed pursuant to
29 Section 47634.3. ~~Subdivision (d) shall not apply to the calculation~~
30 ~~of current year average daily attendance for a charter school.~~

31 ~~SEC. 22. Section 42238.20 of the Education Code is repealed.~~

32 *SEC. 22. Section 42238.20 of the Education Code is amended*
33 *to read:*

34 42238.20. (a) Notwithstanding any other law, commencing in
35 the 2008–09 fiscal year, the minimum schoolday for a pupil
36 concurrently enrolled in regular secondary school classes and
37 classes operating pursuant to a joint powers agreement that became
38 effective before January 1, 2008, is 180 minutes. These regular
39 secondary school classes constitute regular school classes for the
40 purposes of Section 46010.3.

1 ~~(b) Notwithstanding any other law, for purposes of computing~~
2 ~~the average daily attendance of a pupil described in subdivision~~
3 ~~(a), the 180-minute minimum schoolday permitted by this section~~
4 ~~shall be computed and reported as attendance for three-quarters~~
5 ~~of the full 240-minute minimum schoolday prescribed by Section~~
6 ~~46141.~~

7 ~~(e)~~

8 ~~(b) For a pupil described in subdivision (a), the average daily~~
9 ~~attendance shall be included as school district average daily~~
10 ~~attendance computed pursuant to Section 42238.5.~~

11 ~~(d) (1) Commencing with the 2008-09 fiscal year, the~~
12 ~~Superintendent shall compute funding for each pupil enrolled in~~
13 ~~classes as described in subdivision (a), for the period of time each~~
14 ~~day during which the pupil attends classes pursuant to a joint~~
15 ~~powers agreement, by multiplying the annual clock hours of~~
16 ~~attendance, up to a maximum of three clock hours per schoolday,~~
17 ~~by the rate described in subdivision (e) or (f), as applicable.~~

18 ~~(2) The Superintendent shall add the amount computed pursuant~~
19 ~~to paragraph (1) to the revenue limit calculated pursuant to Section~~
20 ~~42238 for the school district of attendance of the pupil.~~

21 ~~(3) A pupil shall not generate apportionment credit pursuant to~~
22 ~~this subdivision for more than 540 hours in any school year.~~

23 ~~(e) The hourly rate for the 2008-09 fiscal year shall be~~
24 ~~determined as follows:~~

25 ~~(1) Subtract 73.3 percent of the school district revenue limit~~
26 ~~funding per unit of average daily attendance computed pursuant~~
27 ~~to Section 42238 for the 2007-08 fiscal year for the school districts~~
28 ~~that entered into the joint powers agreement from the statewide~~
29 ~~average revenue limit funding per unit of average daily attendance~~
30 ~~received by high school districts computed pursuant to paragraph~~
31 ~~(1) of subdivision (a) of Section 47633 for the 2007-08 fiscal year.~~

32 ~~(2) Divide the amount computed in paragraph (1) by 540.~~

33 ~~(3) Multiply the amount in paragraph (2) by the cost of living,~~
34 ~~deficit factor, and equalization adjustments applied to revenue~~
35 ~~limits for the 2008-09 fiscal year.~~

36 ~~(f) Commencing with the 2009-10 fiscal year, the hourly rate~~
37 ~~for the current fiscal year shall be determined by multiplying the~~
38 ~~prior year hourly rate by the cost of living, deficit factor, and~~
39 ~~equalization adjustments applied to the current year revenue limit~~
40 ~~computed pursuant to Section 42238.~~

1 ~~(g)~~

2 (c) For purposes of computing attendance pursuant to Section
3 46300 or any other law, immediate supervision and control of
4 pupils while attending classes pursuant to a joint powers agreement
5 described in subdivision (a) is deemed satisfied regardless of the
6 school district employing the certificated employee providing the
7 supervision and control, provided the school district is a party to
8 the joint powers agreement.

9 ~~(h) The auditor who conducts the annual audit pursuant to~~
10 ~~Section 41020 shall verify compliance with this section by each~~
11 ~~school district that is a party to the joint powers agreement as~~
12 ~~described in subdivision (a). An instance of noncompliance shall~~
13 ~~be reported as an audit exception. If the noncompliance is a~~
14 ~~condition of eligibility for the receipt of funds, the audit report~~
15 ~~shall include a statement of the number of units of average daily~~
16 ~~attendance or hours, if any, that were inappropriately reported for~~
17 ~~apportionment.~~

18 ~~(i) Notwithstanding any other law, the number of hours of~~
19 ~~instruction at regional occupational centers or programs that are~~
20 ~~claimed for funding pursuant to subdivision (d) shall be used, in~~
21 ~~addition to the hourly rate determined pursuant to subdivision (e)~~
22 ~~or (f), whichever subdivision is applicable, in the computation of~~
23 ~~the average daily attendance of the regional occupational center~~
24 ~~or program.~~

25 ~~(j)~~

26 (d) This section shall become inoperative on July 1, 2017, and,
27 as of January 1, 2018, is repealed, unless a later enacted statute,
28 that becomes operative on or before January 1, 2018, deletes or
29 extends the dates on which it becomes inoperative and is repealed.

30 SEC. 23. Section 42283 of the Education Code is amended to
31 read:

32 42283. (a) For purposes of Sections 42281 and 42282, a
33 “necessary small school” is an elementary school with an average
34 daily attendance of less than 97, exclusive of pupils attending the
35 seventh and eighth grades of a junior high school, maintained by
36 a school district to which any of the following conditions apply:

37 (1) If as many as five pupils residing in the school district and
38 attending kindergarten and grades 1 to 8, inclusive, exclusive of
39 pupils attending the seventh and eighth grades of a junior high
40 school in the elementary school with an average daily attendance

1 of less than 97 would be required to travel more than 10 miles one
2 way from a point on a well-traveled road nearest their home to the
3 nearest other public elementary school.

4 (2) If as many as 15 pupils residing in the school district and
5 attending kindergarten and grades 1 to 8, inclusive, exclusive of
6 pupils attending the seventh and eighth grades of a junior high
7 school in the elementary school with an average daily attendance
8 of less than 97 would be required to travel more than five miles
9 one way from a point on a well-traveled road nearest their home
10 to the nearest other public elementary school.

11 (3) If topographical or other conditions exist in a school district
12 which would impose unusual hardships if the number of miles
13 specified in paragraph (1) or (2) were required to be traveled, or
14 if during the fiscal year the roads which would be traveled have
15 been impassable for more than an average of two weeks per year
16 for the preceding five years, the governing board of the school
17 district may, on or before April 1, request the Superintendent, in
18 writing, for an exemption from these requirements or for a
19 reduction in the miles required. The request shall be accompanied
20 by a statement of the conditions upon which the request is based,
21 giving the information in a form required by the Superintendent.
22 The Superintendent shall cause an investigation to be made, and
23 shall either grant the request to the extent he or she deems
24 necessary, or deny the request.

25 (b) For purposes of this section, “other public elementary
26 school” is a public school, including a charter school, that serves
27 kindergarten or any of grades 1 to 8, inclusive, exclusive of grades
28 7 and 8 of a junior high school.

29 SEC. 24. Section 42284 of the Education Code is amended to
30 read:

31 42284. (a) For each district with fewer than 2,501 units of
32 average daily attendance, on account of each necessary small high
33 school, the county superintendent of schools shall make one of the
34 following computations selected with regard only to the number
35 of certificated employees employed or average daily attendance,
36 whichever provides the lesser amount:

37			
38		Minimum number	
39	Average daily	of certificated	Amount to be
40	attendance	employees	computed

1			
2	1- 19	less than 3	\$42,980
3			per teacher
4	1- 19	3	191,340
5	20- 38	4	234,320
6	39- 57	5	277,300
7	58- 71	6	320,280
8	72- 86	7	363,260
9	87- 100	8	406,240
10	101-114	9	449,220
11	115-129	10	492,200
12	130-143	11	535,180
13	144-171	12	578,160
14	172-210	13	621,140
15	211-248	14	664,120
16	249-286	15	707,100

17

18 (b) For purposes of this section, a “certificated employee” means
 19 an equivalent full-time position of an individual holding a
 20 credential authorizing service and providing service in grades 9
 21 to 12, inclusive, in any secondary school. Any fraction of an
 22 equivalent full-time position remaining after all equivalent full-time
 23 positions for certificated employees within the school district have
 24 been calculated shall be deemed to be a full-time position.

25 (c) A school district that qualifies under this section may use
 26 the funding calculation as provided in this section until the local
 27 control funding formula allocation pursuant to Section 42238.02,
 28 as implemented by Section 42238.03, per unit of average daily
 29 attendance multiplied by the average daily attendance produces
 30 state aid equal to the funding provided under this section.

31 SEC. 25. Section 42285 of the Education Code is amended to
 32 read:

33 42285. (a) For purposes of Section 42284, a necessary small
 34 high school is a high school with an average daily attendance of
 35 less than 287 that comes within any of the following conditions:

36 (1) The projection of its future enrollment on the basis of the
 37 enrollment of the elementary schools in the school district shows
 38 that within eight years the enrollment in high school in grades 9
 39 to 12, inclusive, will exceed 286 pupils.

1 (2) Any one of the following combinations of distance and units
2 of average daily attendance applies:

3 (A) The high school had an average daily attendance of less
4 than 96 in grades 9 to 12, inclusive, during the preceding fiscal
5 year and is more than 15 miles by well-traveled road from the
6 nearest other public high school and either 90 percent of the pupils
7 would be required to travel 20 miles or 25 percent of the pupils
8 would be required to travel 30 miles one way from a point on a
9 well-traveled road nearest their homes to the nearest other public
10 high school.

11 (B) The high school had an average daily attendance of 96 or
12 more and less than 144 in grades 9 to 12, inclusive, during the
13 preceding fiscal year and is more than 10 miles by well-traveled
14 road from the nearest other public high school and either 90 percent
15 of the pupils would be required to travel 18 miles or 25 percent of
16 the pupils would be required to travel 25 miles one way from a
17 point on a well-traveled road nearest their homes to the nearest
18 other public high school.

19 (C) The high school had an average daily attendance of 144 or
20 more and less than 192 in grades 9 to 12, inclusive, during the
21 preceding fiscal year and is more than 7½ miles by well-traveled
22 road from the nearest other public high school and either 90 percent
23 of the pupils would be required to travel 15 miles or 25 percent of
24 the pupils would be required to travel 20 miles one way from a
25 point on a well-traveled road nearest their homes to the nearest
26 other public high school.

27 (D) The high school had an average daily attendance of 192 or
28 more and less than 287 in grades 9 to 12, inclusive, during the
29 preceding fiscal year and is more than 5 miles by well-traveled
30 road from the nearest other public high school and either 90 percent
31 of the pupils would be required to travel 10 miles or 25 percent of
32 the pupils would be required to travel 15 miles to the nearest other
33 public high school.

34 (3) Topographical or other conditions exist in the school district
35 which would impose unusual hardships on the pupils if the number
36 of miles specified above were required to be traveled. In these
37 cases, the Superintendent may, when requested, and after
38 investigation, grant exceptions from the distance requirements.

39 (4) The Superintendent has approved the recommendation of a
40 county committee on school district organization designating one

1 of two or more schools as necessary isolated schools in a situation
2 where the schools are operated by two or more school districts and
3 the average daily attendance of each of the schools is less than 287
4 in grades 9 to 12, inclusive.

5 (b) For purposes of Section 42284, a necessary small high school
6 also includes a high school maintained by a school district for the
7 exclusive purpose of educating juvenile hall pupils or pupils with
8 exceptional needs.

9 (c) For purposes of Section 42284, a necessary small high school
10 does not include a continuation school.

11 (d) For purposes of this section, “other public high school” is
12 a public school, including a charter school, that serves any of
13 grades 9 to 12, inclusive.

14 ~~SEC. 26. Section 42285.5 of the Education Code is amended~~
15 ~~to read:~~

16 ~~42285.5. For purposes of subdivision (a) of Section 42284 and~~
17 ~~Section 42285, for a qualifying necessary small high school, a~~
18 ~~school district may include average daily attendance in grades 7~~
19 ~~and 8 and the instructors of grade 7 and 8 pupils in the calculation~~
20 ~~of average daily attendance and number of certificated employees~~
21 ~~employed.~~

22 *SEC. 26. Section 42285.5 of the Education Code is repealed.*

23 ~~42285.5. (a) For purposes of subdivision (a) of Section 42284~~
24 ~~and Section 42285, a school district may include average daily~~
25 ~~attendance in grades 7 and 8 and the instructors of grade 7 and 8~~
26 ~~pupils in the calculation of average daily attendance and number~~
27 ~~of certificated employees employed.~~

28 ~~(b) Notwithstanding Sections 42284 and 42285, for purposes~~
29 ~~of this section, with respect to a school district eligible to utilize~~
30 ~~subdivision (a), any references to grades 9 to 12, inclusive, in~~
31 ~~Sections 42284 and 42285 shall be deemed instead to be references~~
32 ~~to grades 7 to 12, inclusive.~~

33 ~~SEC. 27. Section 42287 of the Education Code is amended to~~
34 ~~read:~~

35 ~~42287. (a) For the 1984–85 fiscal year to the 2012–13 fiscal~~
36 ~~year, inclusive, the Superintendent shall increase the funding~~
37 ~~amounts specified in Sections 42281, 42282, and 42284 by an~~
38 ~~amount proportionate to the increase applied to the statewide~~
39 ~~average revenue limit for unified school districts for the then~~
40 ~~current fiscal year.~~

1 (b) Commencing with the 2013–14 fiscal year, the
2 Superintendent shall increase the funding amounts specified in
3 Sections 42281, 42282, and 42284, as previously increased
4 pursuant to subdivision (a) and Sections 42289 to 42289.5,
5 inclusive, by the percentage calculated pursuant to paragraph (2)
6 of subdivision (d) of Section 42238.02, subject to the criteria
7 specified in paragraph (5) of subdivision (b) of Section 42238.03,
8 for the then current fiscal year.

9 SEC. 28. Section 46200 of the Education Code is amended to
10 read:

11 46200. For a school district that received an apportionment
12 pursuant to subdivision (a) of this section, as it read on January 1,
13 2013, and that offers less than 180 days of instruction or, in
14 multitrack year-round schools, fewer than the number of days
15 required in subdivision (a) of this section, as it read on January 1,
16 2013, in the 2013–14 fiscal year, or any fiscal year thereafter, the
17 Superintendent shall withhold from the school district’s local
18 control funding formula grant apportionment pursuant to Section
19 42238.02, as implemented by Section 42238.03, for the average
20 daily attendance of each affected grade level the sum of 0.0056
21 multiplied by that apportionment for each day less than what was
22 required in subdivision (a) of this section, as it read on January 1,
23 2013, up to a maximum of five days.

24 SEC. 29. Section 46201 of the Education Code is amended to
25 read:

26 46201. (a) For each school district that received an
27 apportionment pursuant to subdivision (a) of this section, as it read
28 on January 1, 2013, and that reduces the amount of instructional
29 time offered below the minimum amounts specified in subdivision
30 (b), the Superintendent shall withhold from the school district’s
31 local control funding formula grant apportionment pursuant to
32 Section 42238.02, as implemented by Section 42238.03, for the
33 average daily attendance of each affected grade level, the sum of
34 that apportionment multiplied by the percentage of the minimum
35 offered minutes at that grade level that the school district failed to
36 offer.

37 (b) Commencing with the 2013–14 fiscal year:

38 (1) Thirty-six thousand minutes in kindergarten.

39 (2) Fifty thousand four hundred minutes in grades 1 to 3,
40 inclusive.

1 (3) Fifty-four thousand minutes in grades 4 to 8, inclusive.

2 (4) Sixty-four thousand eight hundred minutes in grades 9 to
3 12, inclusive.

4 SEC. 30. Section 46202 of the Education Code is amended to
5 read:

6 46202. If a school district that does not participate in the
7 program set forth in Sections 46200 to 46206, inclusive, as those
8 sections read on January 1, 2013, offers less instructional time in
9 a fiscal year than the amount of instructional time fixed for the
10 1982–83 fiscal year, the Superintendent shall withhold for that
11 fiscal year, from the school district’s local control funding formula
12 grant apportionment pursuant to Section 42238.02, as implemented
13 by Section 42238.03, for the average daily attendance of each
14 affected grade level, the amount of that apportionment multiplied
15 by the percentage of instructional minutes fixed in the 1982–83
16 school year, at that grade level, that the school district failed to
17 offer.

18 SEC. 31. Section 46208 of the Education Code is amended to
19 read:

20 46208. (a) Notwithstanding Sections 46200 to 46205,
21 inclusive, upon a determination that a school district equals or
22 exceeds its local control funding formula target computed pursuant
23 to Section 42238.02 as determined by the calculation of a zero
24 difference pursuant to paragraph (1) of subdivision (b) of Section
25 42238.03, each school district, as a condition of apportionment
26 pursuant to Section 42238.02, as implemented pursuant to Section
27 42238.03, shall offer 180 days or more of instruction per school
28 year. A school operating as a multitrack year-round school shall
29 be deemed to be in compliance with the 180-day requirement if it
30 certifies to the Superintendent that it is a multitrack year-round
31 school and maintains its school for a minimum of 163 schooldays.

32 (b) Notwithstanding subdivision (a), for the 2013–14 and
33 2014–15 school years, a school district that equals or exceeds its
34 computed local control funding formula target may reduce the
35 equivalent of up to five days of instruction or the equivalent
36 number of instructional minutes without incurring the penalties
37 set forth in this section.

38 (c) For a school district that has met its local control funding
39 formula target and that offers fewer than the number of
40 instructional days required pursuant to this section, the

1 Superintendent shall withhold from the school district's local
2 control funding formula grant apportionment pursuant to Section
3 42238.02, as implemented by Section 42238.03, for the average
4 daily attendance of each affected grade level, the sum of 0.0056
5 multiplied by that apportionment for each day less than what was
6 required pursuant to this section, for up to five days.

7 ~~SEC. 32.— Section 46610 of the Education Code is repealed.~~

8 ~~SEC. 33.— Section 46611 of the Education Code is repealed.~~

9 ~~SEC. 34.~~

10 *SEC. 32.* Section 47612 of the Education Code is amended to
11 read:

12 47612. (a) A charter school shall be deemed to be under the
13 exclusive control of the officers of the public schools for purposes
14 of Section 8 of Article IX of the California Constitution, with
15 regard to the appropriation of public moneys to be apportioned to
16 any charter school, including, but not necessarily limited to,
17 appropriations made for purposes of this chapter.

18 (b) The average daily attendance in a charter school may not,
19 in any event, be generated by a pupil who is not a California
20 resident. To remain eligible for generating charter school
21 apportionments, a pupil over 19 years of age shall be continuously
22 enrolled in public school and make satisfactory progress towards
23 award of a high school diploma. The state board shall, on or before
24 January 1, 2000, adopt regulations defining "satisfactory progress."

25 (c) A charter school shall be deemed to be a "school district"
26 for purposes of Article 1 (commencing with Section 14000) of
27 Chapter 1 of Part 9 of Division 1 of Title 1, Section 41301, Section
28 41302.5, Article 10 (commencing with Section 41850) of Chapter
29 5 of Part 24 of Division 3, Section 47638, and Sections 8 and 8.5
30 of Article XVI of the California Constitution.

31 (d) For purposes of calculating average daily attendance, no
32 pupil shall generate more than one day of attendance in a calendar
33 day. Notwithstanding any other law, a charter school that operates
34 a multitrack calendar shall comply with all of the following:

35 (1) Calculate attendance separately for each track. The divisor
36 in the calculation shall be the calendar days in which school was
37 taught for pupils in each track.

38 (2) Operate no more than five tracks.

39 (3) Operate each track for a minimum of 175 days. If the charter
40 school is a conversion school, the charter school may continue its

1 previous schedule as long as it provides no fewer than 163 days
2 of instruction in each track.

3 (4) For each track, provide the total number of instructional
4 minutes, as specified in Section 47612.5.

5 (5) No track shall have less than 55 percent of its schooldays
6 before April 15.

7 (6) Unless otherwise authorized by statute, no pupil shall
8 generate more than one unit of average daily attendance in a fiscal
9 year.

10 (e) Compliance with the conditions set forth in this section shall
11 be included in the audits conducted pursuant to Section 41020.

12 ~~SEC. 35.~~

13 *SEC. 33.* Section 47614.5 of the Education Code is amended
14 to read:

15 47614.5. (a) The Charter School Facility Grant Program is
16 hereby established, and, commencing with the 2013–14 fiscal year,
17 shall be administered by the California School Finance Authority.
18 The grant program is intended to provide assistance with facilities
19 rent and lease costs for pupils in charter schools.

20 (b) Subject to the annual Budget Act, eligible schools shall
21 receive an amount of up to, but not more than, seven hundred fifty
22 dollars (\$750) per unit of average daily attendance, as certified at
23 the second principal apportionment, to provide an amount of up
24 to, but not more than, 75 percent of the annual facilities rent and
25 lease costs for the charter school. In any fiscal year, if the funds
26 appropriated for the purposes of this section by the annual Budget
27 Act are insufficient to fund the approved amounts fully, the
28 California School Finance Authority shall apportion the available
29 funds on a pro rata basis.

30 (c) For purposes of this section, the California School Finance
31 Authority shall do all of the following:

32 (1) Inform charter schools of the grant program.

33 (2) Upon application by a charter school, determine eligibility,
34 based on the geographic location of the charter schoolsite, pupil
35 eligibility for free or reduced-price meals, and a preference in
36 admissions, as appropriate. Eligibility for funding shall not be
37 limited to the grade level or levels served by the school whose
38 attendance area is used to determine eligibility. Charter schoolsite
39 are eligible for funding pursuant to this section if the charter
40 schoolsite meets either of the following conditions:

1 (A) The charter schoolsite is physically located in the attendance
2 area of a public elementary school in which 70 percent or more of
3 the pupil enrollment is eligible for free or reduced-price meals and
4 the schoolsite gives a preference in admissions to pupils who are
5 currently enrolled in that public elementary school and to pupils
6 who reside in the elementary school attendance area where the
7 charter schoolsite is located.

8 (B) Seventy percent or more of the pupil enrollment at the
9 charter schoolsite is eligible for free or reduced-price meals.

10 (3) Inform charter schools of their grant eligibility.

11 (4) Commencing with the 2013–14 fiscal year, make
12 apportionments to a charter school for eligible expenditures
13 according to the following schedule:

14 (A) An initial apportionment by August 31 of each fiscal year
15 or 30 days after enactment of the annual Budget Act, whichever
16 is later, provided the charter school has submitted a timely
17 application for funding, as determined by the California School
18 Finance Authority. The initial apportionment shall be 50 percent
19 of the school’s estimated annual entitlement as determined by this
20 section.

21 (B) A second apportionment by March 1 of each fiscal year.
22 This apportionment shall be 75 percent of the charter school’s
23 estimated annual entitlement, as adjusted for any revisions in cost,
24 enrollment, and other data relevant to computing the charter
25 school’s annual entitlement, less any funding already apportioned
26 to the charter school.

27 (C) A third apportionment within 30 days of the end of each
28 fiscal year or 30 days after receiving the data and documentation
29 needed to compute the charter school’s total annual entitlement,
30 whichever is later. This apportionment shall be the charter school’s
31 total annual entitlement less any funding already apportioned to
32 the charter school.

33 (D) Notwithstanding subparagraph (A), the initial apportionment
34 in the 2013–14 fiscal year shall be made by October 15, 2013, or
35 105 days after enactment of the Budget Act of 2013, whichever is
36 later.

37 (d) For the purposes of this section:

38 (1) The California School Finance Authority shall use prior year
39 data on pupil eligibility for free or reduced-price meals for the
40 charter schoolsite and prior year rent or lease costs provided by

1 charter schools to determine eligibility for the grant program until
2 current year data and actual rent or lease costs become known or
3 until June 30 of each fiscal year.

4 (2) If prior year rent or lease costs are unavailable, and the
5 current year lease and rent costs are not immediately available,
6 the California School Finance Authority shall use rent or lease
7 cost estimates provided by the charter school.

8 (3) The California School Finance Authority shall verify that
9 the grant amount awarded to each charter school is consistent with
10 eligibility requirements as specified in this section and in
11 regulations adopted by the authority. If it is determined by the
12 California School Finance Authority that a charter school did not
13 receive the proper grant award amount, either the charter school
14 shall transfer funds back to the authority as necessary within 60
15 days of being notified by the authority, or the authority shall
16 provide an additional apportionment as necessary to the charter
17 school within 60 days of notifying the charter school, subject to
18 the availability of funds.

19 (e) Funds appropriated for purposes of this section shall not be
20 apportioned for any of the following:

21 (1) Units of average daily attendance generated through
22 nonclassroom-based instruction as defined by paragraph (2) of
23 subdivision (d) of Section 47612.5 or that does not comply with
24 conditions or limitations set forth in regulations adopted by the
25 state board pursuant to this section.

26 (2) Charter schools occupying existing school district or county
27 office of education facilities, except that charter schools shall be
28 eligible for the portions of their facilities that are not existing
29 school district or county office of education facilities.

30 (3) Charter schools receiving reasonably equivalent facilities
31 from their chartering authorities pursuant to Section 47614, except
32 that charter schools shall be eligible for the portions of their
33 facilities that are not reasonably equivalent facilities received from
34 their chartering authorities.

35 (f) Funds appropriated for purposes of this section shall be used
36 for costs associated with facilities rents and leases, consistent with
37 the definitions used in the California School Accounting Manual
38 or regulations adopted by the California School Finance Authority.
39 These funds also may be used for costs, including, but not limited
40 to, costs associated with remodeling buildings, deferred

1 maintenance, initially installing or extending service systems and
2 other built-in equipment, and improving sites.

3 (g) If an existing charter school located in an elementary
4 attendance area in which less than 50 percent of pupil enrollment
5 is eligible for free or reduced-price meals relocates to an attendance
6 area identified in paragraph (2) of subdivision (c), admissions
7 preference shall be given to pupils who reside in the elementary
8 school attendance area into which the charter school is relocating.

9 (h) The California School Finance Authority annually shall
10 report to the department and the Director of Finance, and post
11 information on its Internet Web site, regarding the use of funds
12 that have been made available during the fiscal year to each charter
13 school pursuant to the grant program.

14 (i) The California School Finance Authority, commencing with
15 the 2013–14 fiscal year, shall annually allocate the facilities grants
16 to eligible charter schools according to the schedule in paragraph
17 (4) of subdivision (c) for the current school year rent and lease
18 costs. However, the California School Finance Authority shall first
19 use the funding appropriated for this program to reimburse eligible
20 charter schools for unreimbursed rent or lease costs for the prior
21 school year.

22 (j) It is the intent of the Legislature that the funding level for
23 the Charter School Facility Grant Program for the 2012–13 fiscal
24 year be considered the base level of funding for subsequent fiscal
25 years.

26 (k) The Controller shall include instructions appropriate to the
27 enforcement of this section in the audit guide required by
28 subdivision (a) of Section 14502.1.

29 (l) The California School Finance Authority, effective with the
30 2013–14 fiscal year, shall be considered the senior creditor for
31 purposes of satisfying audit findings pursuant to the audit
32 instructions to be developed pursuant to subdivision (k).

33 (m) The California School Finance Authority may adopt
34 regulations to implement this section. Any regulations adopted
35 pursuant to this section may be adopted as emergency regulations
36 in accordance with the Administrative Procedure Act (Chapter 3.5
37 (commencing with Section 11340) of Part 1 of Division 3 of the
38 Title 2 of the Government Code). The adoption of these regulations
39 shall be deemed to be an emergency and necessary for the

1 immediate preservation of the public peace, health and safety, or
2 general welfare.

3 ~~SEC. 36.~~

4 *SEC. 34.* Section 47631 of the Education Code is amended to
5 read:

6 47631. (a) Article 3 (commencing with Section 47636) shall
7 not apply to a charter granted pursuant to Section 47605.5.

8 (b) A charter school authorized pursuant to Section 47605.5
9 shall receive the average daily attendance rate calculated pursuant
10 to paragraph (1) of subdivision (c) of Section 2574 for enrolled
11 pupils who are identified as any of the following:

12 (1) Probation-referred pursuant to Section 300, 601, 602, or 654
13 of the Welfare and Institutions Code.

14 (2) On probation or parole and not attending a school.

15 (3) Expelled for any of the reasons specified in subdivision (a)
16 or (c) of Section 48915.

17 (c) A charter school authorized pursuant to Section 47605.5
18 shall be funded pursuant to the local control funding formula
19 pursuant to Section 42238.02, as implemented by Section 42238.03,
20 for all pupils except for pupils funded pursuant to subdivision (b).

21 ~~SEC. 37.~~

22 *SEC. 35.* Section 47633 of the Education Code is amended to
23 read:

24 47633. The Superintendent shall annually compute a
25 general-purpose entitlement, funded from a combination of state
26 aid and local funds, for each charter school as follows:

27 (a) The Superintendent shall annually compute the statewide
28 average amount of general-purpose funding per unit of average
29 daily attendance received by school districts for each of four grade
30 level ranges: kindergarten and grades 1, 2, and 3; grades 4, 5, and
31 6; grades 7 and 8; and, grades 9 to 12, inclusive. For purposes of
32 making these computations, both of the following conditions shall
33 apply:

34 (1) Revenue limit funding attributable to pupils in kindergarten
35 and grades 1 to 5, inclusive, shall equal the statewide average
36 revenue limit funding per unit of average daily attendance received
37 by elementary school districts; revenue limit funding attributable
38 to pupils in grades 6, 7, and 8, shall equal the statewide average
39 revenue limit funding per unit of average daily attendance received
40 by unified school districts; and revenue limit funding attributable

1 to pupils in grades 9 to 12, inclusive, shall equal the statewide
2 average revenue limit funding per unit of average daily attendance
3 received by high school districts.

4 (2) Revenue limit funding received by school districts shall
5 exclude the value of any benefit attributable to the presence of
6 necessary small schools or necessary small high schools within
7 the school district.

8 (b) The Superintendent shall multiply each of the four amounts
9 computed in subdivision (a) by the charter school's average daily
10 attendance in the corresponding grade level ranges. The resulting
11 figure shall be the amount of the charter school's general-purpose
12 entitlement, which shall be funded through a combination of state
13 aid and local funds. From funds appropriated for this purpose
14 pursuant to Section 14002, the superintendent shall apportion to
15 each charter school this amount, less local funds allocated to the
16 charter school pursuant to Section 47635 and any amount received
17 pursuant to subparagraph (B) of paragraph (3) of subdivision (e)
18 of Section 36 of Article XIII of the California Constitution.

19 (c) General-purpose entitlement funding may be used for any
20 public school purpose determined by the governing body of the
21 charter school.

22 (d) Commencing with the 2013–14 fiscal year, this section shall
23 be used only for purposes of allocating revenues received pursuant
24 to subparagraph (B) of paragraph (3) of subdivision (e) of Section
25 36 of Article XIII of the California Constitution.

26 (e) This section shall become inoperative on July 1, 2021, and,
27 as of January 1, 2022, is repealed, unless a later enacted statute,
28 that becomes operative on or before January 1, 2022, deletes or
29 extends the dates on which it becomes inoperative and is repealed.

30 ~~SEC. 38.~~

31 *SEC. 36.* Section 48664 of the Education Code is amended to
32 read:

33 48664. (a) (1) In addition to funds from all other sources, the
34 Superintendent shall apportion to each school district that operates
35 a community day school four thousand dollars (\$4,000) per year,
36 and for each county office of education that operates a community
37 day school three thousand dollars (\$3,000) per year, for each unit
38 of average daily attendance reported at the annual apportionment
39 for pupil attendance at community day schools, adjusted annually
40 commencing with the 1999–2000 fiscal year for the inflation

1 adjustment calculated pursuant to subdivision (b) of Section
2 42238.1. Average daily attendance reported for this program shall
3 not exceed 0.375 percent of a school district's prior year P2 average
4 daily attendance in an elementary school district, 0.5 percent of a
5 school district's prior year P2 average daily attendance in a unified
6 school district, or 0.625 percent of a school district's prior year P2
7 average daily attendance in a high school district. The units of
8 average daily attendance of a community day school operated by
9 a county office of education shall not exceed the unused units of
10 average daily attendance of the community day schools operated
11 by the school districts within the jurisdiction of that county office
12 of education.

13 (2) The Superintendent may reallocate to any school district
14 any unexpended balance of the appropriations made for purposes
15 of this subdivision for actual pupil attendance in excess of the
16 percentage specified in this subdivision for the school district in
17 an amount not to exceed one-half of that percentage. However,
18 the average daily attendance generated by pupils expelled pursuant
19 to subdivision (d) of Section 48915, shall not be subject to these
20 percentage caps on average daily attendance.

21 (b) The average daily attendance of a community day school
22 shall be determined by dividing the total number of days of
23 attendance in all full school months, by a divisor of 70 in the first
24 period of each fiscal year, by a divisor of 135 in the second period
25 of each fiscal year, and by a divisor of 180 at the annual time of
26 each fiscal year.

27 (c) The Superintendent shall apportion to each school district
28 that operates a community day school an amount equal to four
29 dollars (\$4), adjusted annually commencing with the 1999–2000
30 fiscal year for inflation pursuant to subdivision (b) of Section
31 42238.1, multiplied by the total of the number of hours each
32 schoolday, up to a maximum of two hours daily, that each
33 community day school pupil remains at the community day school
34 under the supervision of an employee of the school district, or a
35 consortium of school districts pursuant to Section 48916.1,
36 reporting the attendance of the pupils for apportionment funding
37 following completion of the full six-hour instructional day.

38 (d) It is the intent of the Legislature that school districts enter
39 into consortia, as feasible, for purposes of providing community
40 day school programs. A school district with fewer than 2,501 units

1 of average daily attendance may request a waiver for any fiscal
2 year of the funding limitations set forth in this section. The
3 Superintendent shall approve a waiver if he or she deems it
4 necessary in order to permit the operation of a community day
5 school of reasonably comparable quality to those offered in a
6 school district with 2,501 or more units of average daily attendance.
7 In no event shall the amount allocated pursuant to a waiver exceed
8 the amount provided for one teacher pursuant to Section 42284,
9 for pupils enrolled in kindergarten and grades 1 to 6, inclusive, or
10 the amount provided for one teacher pursuant to Section 42284,
11 for pupils enrolled in grades 7 to 12, inclusive. The provisions of
12 this act shall not apply to a school district that applied for a waiver
13 within the funding limits established by this subdivision but was
14 denied funding or not fully funded.

15 (e) The department shall evaluate and report to the appropriate
16 legislative policy committees and budget committees on or before
17 October 1, 1998, and for two years thereafter the following
18 programmatic and fiscal issues:

19 (1) The number of expulsions statewide.

20 (2) The number of school districts operating community day
21 schools.

22 (3) Status of the countywide plans as defined in Section 48926.

23 (4) An evaluation of the community day school average daily
24 attendance funding percentage cap.

25 (5) Number of small school districts requesting and the number
26 receiving a waiver under this section.

27 (6) The effect of hourly accounting under Section 48663 for
28 purposes of receiving the additional funding under Section 48664.

29 (7) The number of pupils and average daily attendance served
30 in community day programs, further identified as the number
31 expelled pursuant to subdivision (b) of Section 48915, subdivision
32 (d) of Section 48915, other expulsion criteria, or referred through
33 a formal school district process.

34 (8) Pupil outcome data and other data as required under Section
35 48916.1.

36 (9) Other programmatic or fiscal matters as determined by the
37 department.

38 (f) The additional funds provided in subdivisions (a), (c), and
39 (d) shall only be allocated to the extent that funds are appropriated

1 for this purpose in the annual Budget Act or other legislation, or
2 both.

3 (g) A one-time adjustment shall be made to the amount specified
4 in subdivision (a), for the 1998–99 fiscal year and subsequent fiscal
5 years, by increasing that amount by the statewide average quotient
6 resulting from dividing the average daily attendance specified in
7 subparagraph (B) of paragraph (3) of subdivision (a) of Section
8 42238.8 by the amount specified in subparagraph (C) of paragraph
9 (3) of subdivision (a) of Section 42238.8.

10 ~~SEC. 39.~~

11 *SEC. 37.* Section 48667 of the Education Code is repealed.

12 ~~SEC. 40.~~

13 *SEC. 38.* Section 49085 of the Education Code is amended to
14 read:

15 49085. (a) On or before February 1, 2014, the department and
16 the State Department of Social Services shall develop and enter
17 into a memorandum of understanding that shall, at a minimum,
18 require the State Department of Social Services, at least once per
19 week, to share with the department both of the following:

20 (1) Disaggregated information on children and youth in foster
21 care sufficient for the department to identify pupils in foster care.

22 (2) Disaggregated data on children and youth in foster care that
23 is helpful to county offices of education and other local educational
24 agencies responsible for ensuring that pupils in foster care received
25 appropriate educational supports and services.

26 (b) To the extent allowable under federal law, the department
27 shall regularly identify pupils in foster care and designate those
28 pupils in the California Longitudinal Pupil Achievement Data
29 System or any future data system used by the department to collect
30 disaggregated pupil outcome data.

31 (c) To the extent allowable under federal law, the
32 Superintendent, on or before July 1 of each even-numbered year,
33 shall report to the Legislature and the Governor on the educational
34 outcomes for pupils in foster care at both the individual schoolsite
35 level and school district level. The report shall include, but is not
36 limited to, all of the following:

37 (1) Individual schoolsite level and school district level
38 educational outcome data for each local educational agency that
39 enrolls at least 15 pupils in foster care, each county in which at
40 least 15 pupils in foster care attend school, and for the entire state.

1 (2) The number of pupils in foster care statewide and by each
2 local educational agency.

3 (3) The academic achievement of pupils in foster care.

4 (4) The incidence of suspension and expulsion for pupils in
5 foster care.

6 (5) Truancy rates, attendance rates, and dropout rates for pupils
7 in foster care.

8 (d) To the extent allowable under federal law, the department,
9 at least once per week, shall do all of the following:

10 (1) Inform school districts and charter schools of any pupils
11 enrolled in those school districts or charter schools who are in
12 foster care.

13 (2) Inform county offices of education of any pupils enrolled
14 in schools in the county who are in foster care.

15 (3) Provide schools districts, county office of education, and
16 charter schools disaggregated data helpful to ensuring pupils in
17 foster care receive appropriate educational supports and services.

18 (e) For purposes of this section “pupil in foster care” has the
19 same meaning as “foster youth,” as defined in Section 42238.01.

20 ~~SEC. 41.~~

21 *SEC. 39.* Section 52060 of the Education Code is amended to
22 read:

23 52060. (a) On or before July 1, 2014, the governing board of
24 each school district shall adopt a local control and accountability
25 plan using a template adopted by the state board.

26 (b) A local control and accountability plan adopted by a
27 governing board of a school district shall be effective for a period
28 of three years, and shall be updated on or before July 1 of each
29 year.

30 (c) A local control and accountability plan adopted by a
31 governing board of a school district shall include, for the school
32 district and each school within the school district, ~~at~~ *both* of the
33 following:

34 (1) A description of the annual goals, for all pupils and each
35 subgroup of pupils identified pursuant to Section 52052, to be
36 achieved for each of the state priorities identified in subdivision

37 (d) and for any additional local priorities identified by the
38 governing board of the school district. For purposes of this article,
39 a subgroup of pupils identified pursuant to Section 52052 shall be

1 a numerically significant pupil subgroup as specified in paragraphs
2 (2) and (3) of subdivision (a) of Section 52052.

3 (2) A description of the specific actions the school district will
4 take during each year of the local control and accountability plan
5 to achieve the goals identified in paragraph (1), including the
6 enumeration of any specific actions necessary for that year to
7 correct any deficiencies in regard to the state priorities listed in
8 paragraph (1) of subdivision (d). The specific actions shall ~~be~~
9 ~~consistent with local collective bargaining agreements within the~~
10 ~~jurisdiction of the school districts. not supersede the provisions of~~
11 ~~local collective bargaining agreements within the jurisdiction of~~
12 ~~the school district. Specific actions described in the local control~~
13 ~~and accountability plan that are inconsistent with local collective~~
14 ~~bargaining agreements shall be renegotiated, and implemented~~
15 ~~only as agreed to after renegotiation.~~

16 (3) ~~A listing and description of the expenditures for the 2014–15~~
17 ~~fiscal year implementing the specific actions included in the local~~
18 ~~control and accountability plan.~~

19 (4) ~~A listing and description of the expenditures for the 2014–15~~
20 ~~fiscal year that will serve the pupils to whom one or more of the~~
21 ~~definitions in Section 42238.01 apply, and pupils redesignated as~~
22 ~~fluent English proficient.~~

23 (d) All of the following are state priorities:

24 (1) The degree to which the teachers of the school district are
25 appropriately assigned in accordance with Section 44258.9, and
26 fully credentialed in the subject areas, and, for the pupils they are
27 teaching, every pupil in the school district has sufficient access to
28 the standards-aligned instructional materials as determined pursuant
29 to Section 60119, and school facilities are maintained in good
30 repair as specified in subdivision (d) of Section 17002.

31 (2) Implementation of the academic content and performance
32 standards adopted by the state board, including how the programs
33 and services will enable English learners to access the common
34 core academic content standards adopted pursuant to Section
35 60605.8 and the English language development standards adopted
36 pursuant to Section 60811.3 for purposes of gaining academic
37 content knowledge and English language proficiency.

38 (3) Parental involvement, including efforts the school district
39 makes to seek parent input in making decisions for the school
40 district and each individual schoolsite, and including how the

1 school district will promote parental participation in programs for
2 unduplicated pupils and individuals with exceptional needs.

3 (4) Pupil achievement, as measured by all of the following, as
4 applicable:

5 (A) Statewide assessments administered pursuant to Article 4
6 (commencing with Section 60640) of Chapter 5 of Part 33 or any
7 subsequent assessment, as certified by the state board.

8 (B) The Academic Performance Index, as described in Section
9 52052.

10 (C) The percentage of pupils who have successfully completed
11 courses that satisfy the requirements for entrance to the University
12 of California and the California State University, or career technical
13 education sequences or programs of study that align with state
14 board-approved career technical educational standards and
15 frameworks, including, but not limited to, those described in
16 subdivision (a) of Section 52302, subdivision (a) of Section
17 52372.5, or paragraph (2) of subdivision (e) of Section 54692.

18 (D) The percentage of English learner pupils who make progress
19 toward English proficiency as measured by the California English
20 Language Development Test or any subsequent assessment of
21 English proficiency, as certified by the state board.

22 (E) The English learner reclassification rate.

23 (F) The percentage of pupils who have passed an advanced
24 placement examination with a score of 3 or higher.

25 (G) The percentage of pupils who participate in, and demonstrate
26 college preparedness pursuant to, the Early Assessment Program,
27 as described in Chapter 6 (commencing with Section 99300) of
28 Part 65 of Division 14 of Title 3, or any subsequent assessment of
29 college preparedness.

30 (5) Pupil engagement, as measured by all of the following, as
31 applicable:

32 (A) School attendance rates.

33 (B) Chronic absenteeism rates.

34 (C) Middle school dropout rates, as described in paragraph (3)
35 of subdivision (a) of Section 52052.1.

36 (D) High school dropout rates.

37 (E) High school graduation rates.

38 (6) School climate, as measured by all of the following, as
39 applicable:

40 (A) Pupil suspension rates.

1 (B) Pupil expulsion rates.

2 (C) Other local measures, including surveys of pupils, parents,
3 and teachers on the sense of safety and school connectedness.

4 (7) The extent to which pupils have access to, and are enrolled
5 in, a broad course of study that includes all of the subject areas
6 described in Section 51210 and subdivisions (a) to (i), inclusive,
7 of Section 51220, as applicable, including the programs and
8 services developed and provided to unduplicated pupils and
9 individuals with exceptional needs, and the program and services
10 that are provided to benefit these pupils as a result of the funding
11 received pursuant to Section 42238.02, as implemented by Section
12 42238.03.

13 (8) Pupil outcomes, if available, in the subject areas described
14 in Section 51210 and subdivisions (a) to (i), inclusive, of Section
15 51220, as applicable.

16 (e) For purposes of the descriptions required by subdivision (c),
17 a governing board of a school district may consider qualitative
18 information, including, but not limited to, findings that result from
19 school quality reviews conducted pursuant to subparagraph (J) or
20 paragraph (4) of subdivision (a) of Section 52052 or any other
21 reviews.

22 (f) To the extent practicable, data reported in a local control and
23 accountability plan shall be reported in a manner consistent with
24 how information is reported on a school accountability report card.

25 (g) A governing board of a school district shall consult with
26 teachers, principals, administrators, other school personnel, local
27 bargaining units of the school district, parents, and pupils in
28 developing a local control and accountability plan.

29 (h) A school district may identify local priorities, goals in regard
30 to the local priorities, and the method for measuring the school
31 district's progress toward achieving those goals.

32 ~~SEC. 42.~~

33 *SEC. 40.* Section 52061 of the Education Code is amended to
34 read:

35 52061. (a) On or before July 1, 2015, and each year thereafter,
36 a school district shall update the local control and accountability
37 plan. The annual update shall be developed using a template
38 developed pursuant to Section 52064 and shall include all of the
39 following:

1 (1) A review of any changes in the applicability of the goals
2 described in paragraph (1) of subdivision (c) of Section 52060.

3 (2) A review of the progress toward the goals included in the
4 existing local control and accountability plan, an assessment of
5 the effectiveness of the specific actions described in the existing
6 local control and accountability plan toward achieving the goals,
7 and a description of changes to the specific actions the school
8 district will make as a result of the review and assessment.

9 (3) A listing and description of the expenditures for the fiscal
10 year implementing the specific actions included in the local control
11 and accountability plan and the changes to the specific actions
12 made as a result of the reviews and assessment required by
13 paragraphs (1) and (2).

14 (4) A listing and description of expenditures for the fiscal year
15 that will serve the pupils to whom one or more of the definitions
16 in Section 42238.01 apply and pupils redesignated as fluent English
17 proficient.

18 (b) The expenditures identified in subdivision (a) shall be
19 classified using the California School Accounting Manual pursuant
20 to Section 41010.

21 ~~SEC. 43.~~

22 *SEC. 41.* Section 52062 of the Education Code is amended to
23 read:

24 52062. (a) Before the governing board of a school district
25 considers the adoption of a local control and accountability plan
26 or an annual update to the local control and accountability plan,
27 all of the following shall occur:

28 (1) The superintendent of the school district shall present the
29 local control and accountability plan or annual update to the local
30 control and accountability plan to the parent advisory committee
31 established pursuant to Section 52063 for review and comment.
32 The superintendent of the school district shall respond, in writing,
33 to comments received from the parent advisory committee.

34 (2) The superintendent of the school district shall present the
35 local control and accountability plan or annual update to the local
36 control and accountability plan to the English learner parent
37 advisory committee established pursuant to Section 52063, if
38 applicable, for review and comment. The superintendent of the
39 school district shall respond, in writing, to comments received
40 from the English learner parent advisory committee.

1 (3) The superintendent of the school district shall notify
2 members of the public of the opportunity to submit written
3 comments regarding the specific actions and expenditures proposed
4 to be included in the local control and accountability plan or annual
5 update to the local control and accountability plan, using the most
6 efficient method of notification possible. This paragraph shall not
7 require a school district to produce printed notices or to send
8 notices by mail. The superintendent of the school district shall
9 ensure that all written notifications related to the local control and
10 accountability plan or annual update to the local control and
11 accountability plan are provided consistent with Section 48985.

12 (4) The superintendent of the school district shall review school
13 plans submitted pursuant to Section 64001 for schools within the
14 school district and ensure that the specific actions included in the
15 local control and accountability plan or annual update to the local
16 control and accountability plan are consistent with strategies
17 included in the school plans submitted pursuant to Section 64001.

18 (b) (1) A governing board of a school district shall hold at least
19 one public hearing to solicit the recommendations and comments
20 of members of the public regarding the specific actions and
21 expenditures proposed to be included in the local control and
22 accountability plan or annual update to the local control and
23 accountability plan. The agenda for the public hearing shall be
24 posted at least 72 hours before the public hearing and shall include
25 the location where the local control and accountability plan or
26 annual update to the local control and accountability plan will be
27 available for public inspection. The public hearing shall be held
28 at the same meeting as the public hearing required by paragraph
29 (1) of subdivision (a) of Section 42127.

30 (2) A governing board of a school district shall adopt a local
31 control and accountability plan or annual update to the local control
32 and accountability plan in a public meeting. This meeting shall be
33 held after, but not on the same day as, the public hearing held
34 pursuant to paragraph (1). This meeting shall be the same meeting
35 as that during which the governing board of the school district
36 adopts a budget pursuant to paragraph (2) of subdivision (a) of
37 Section 42127.

38 (c) A governing board of a school district may adopt revisions
39 to a local control and accountability plan during the period the
40 local control and accountability plan is in effect. A governing board

1 of a school district may only adopt a revision to a local control
2 and accountability plan if it follows the process to adopt a local
3 control and accountability plan pursuant to this section and the
4 revisions are adopted in a public meeting.

5 *SEC. 42. Section 52064 of the Education Code is amended to*
6 *read:*

7 52064. (a) On or before March 31, 2014, the state board shall
8 adopt templates for the following purposes:

9 (1) For use by school districts to meet the requirements of
10 Sections 52060 to 52063, inclusive.

11 (2) For use by county superintendents of schools to meet the
12 requirements of Sections 52066 to 52069, inclusive.

13 (3) For use by charter schools to meet the requirements of
14 Section 47606.5.

15 (b) The templates developed by the state board shall allow a
16 school district, county superintendent of schools, or charter school
17 to complete a single local control and accountability plan to meet
18 the requirements of this article and the requirements of the federal
19 No Child Left Behind Act of 2001 related to local educational
20 agency plans pursuant to Section 1112 of Subpart 1 of Part A of
21 Title I of Public Law 107-110. The state board shall also take steps
22 to minimize duplication of effort at the local level to the greatest
23 extent possible. *The template shall include guidance for school*
24 *districts, county superintendents of schools, and charter schools*
25 *to report both of the following:*

26 (1) *A listing and description of expenditures for the 2014–15*
27 *fiscal year, and each fiscal year thereafter, implementing the*
28 *specific actions included in the local control and accountability*
29 *plan.*

30 (2) *A listing and description of expenditures for the 2014–15*
31 *fiscal year, and each fiscal year thereafter, that will serve the*
32 *pupils to whom one or more of the definitions in Section 42238.01*
33 *apply and pupils redesignated as fluent English proficient.*

34 (c) If possible, the templates identified in paragraph (2) of
35 subdivision (a) for use by county superintendents of schools shall
36 allow a county superintendent of schools to develop a single local
37 control and accountability plan that would also satisfy the
38 requirements of Section 48926.

39 (d) The state board shall adopt the template pursuant to the
40 requirements of the Administrative Procedure Act (Chapter 3.5

1 (commencing with Section 11340) of Part 1 of Division 3 of Title
2 2 of the Government Code). The state board may adopt emergency
3 regulations for purposes of implementing this section.

4 (e) Revisions to a template or evaluation rubric shall be approved
5 by the state board by January 31 before the fiscal year during which
6 the template or evaluation rubric is to be used by a school district,
7 county superintendent of schools, or charter school.

8 (f) The adoption of a template or evaluation rubric by the state
9 board shall not create a requirement for a governing board of a
10 school district, a county board of education, or a governing body
11 of a charter school to submit a local control and accountability
12 plan to the state board, unless otherwise required by federal law.
13 The Superintendent shall not require a local control and
14 accountability plan to be submitted by a governing board of a
15 school district or the governing body of a charter school to the
16 state board. The state board may adopt a template or evaluation
17 rubric that would authorize a school district or a charter school to
18 submit to the state board only the sections of the local control and
19 accountability plan required by federal law.

20 ~~SEC. 44.~~

21 *SEC. 43.* Section 52066 of the Education Code is amended to
22 read:

23 52066. (a) On or before July 1, 2014, each county
24 superintendent of schools shall develop, and present to the county
25 board of education for adoption, a local control and accountability
26 plan using a template adopted by the state board.

27 (b) A local control and accountability plan adopted by a county
28 board of education shall be effective for a period of three years,
29 and shall be updated on or before July 1 of each year.

30 (c) A local control and accountability plan adopted by a county
31 board of education shall include, for each school or program
32 operated by the county superintendent of schools, ~~at~~ *both* of the
33 following:

34 (1) A description of the annual goals, for all pupils and each
35 subgroup of pupils identified pursuant to Section 52052, to be
36 achieved for each of the state priorities identified in subdivision
37 (d), as applicable to the pupils served, and for any additional local
38 priorities identified by the county board of education.

39 (2) A description of the specific actions the county
40 superintendent of schools will take during each year of the local

1 control and accountability plan to achieve the goals identified in
 2 paragraph (1), including the enumeration of any specific actions
 3 necessary for that year to correct any deficiencies in regard to the
 4 state priorities listed in paragraph (1) of subdivision (d). The
 5 specific actions shall be consistent with local collective bargaining
 6 agreements within the jurisdiction of the county superintendent of
 7 schools. *not supersede the provisions of local collective bargaining*
 8 *agreements within the jurisdiction of the county superintendent of*
 9 *schools. Specific actions described in the local control and*
 10 *accountability plan that are inconsistent with local collective*
 11 *bargaining agreements shall be renegotiated, and implemented*
 12 *only as agreed to after renegotiation.*

13 ~~(3) A listing and description of the expenditures for the fiscal~~
 14 ~~year implementing the specific actions included in the local control~~
 15 ~~and accountability plan pursuant to paragraph (2).~~

16 ~~(4) A listing and description of the expenditures for the fiscal~~
 17 ~~year that will serve the pupils to whom one or more of the~~
 18 ~~definitions in Section 42238.01 apply, and pupils redesignated as~~
 19 ~~fluent English proficient.~~

20 (d) All of the following are state priorities:

21 (1) The degree to which the teachers in the schools or programs
 22 operated by the county superintendent of schools are appropriately
 23 assigned in accordance with Section 44258.9 and fully credentialed
 24 in the subject areas, and, for the pupils they are teaching, every
 25 pupil in the schools or programs operated by the county
 26 superintendent of schools has sufficient access to the
 27 standards-aligned instructional materials as determined pursuant
 28 to Section 60119, and school facilities are maintained in good
 29 repair as specified in subdivision (d) of Section 17002.

30 (2) Implementation of the academic content and performance
 31 standards adopted by the state board, including how the programs
 32 and services will enable English learners to access the common
 33 core academic content standards adopted pursuant to Section
 34 60605.8 and the English language development standards adopted
 35 pursuant to Section 60811.3 for purposes of gaining academic
 36 content knowledge and English language proficiency.

37 (3) Parental involvement, including efforts the county
 38 superintendent of schools makes to seek parent input in making
 39 decisions for each individual schoolsite and program operated by
 40 a county superintendent of schools, and including how the county

1 superintendent of schools will promote parental participation in
2 programs for unduplicated pupils and individuals with exceptional
3 needs.

4 (4) Pupil achievement, as measured by all of the following, as
5 applicable:

6 (A) Statewide assessments administered pursuant to Article 4
7 (commencing with Section 60640) of Chapter 5 of Part 33 or any
8 subsequent assessment, as certified by the state board.

9 (B) The Academic Performance Index, as described in Section
10 52052.

11 (C) The percentage of pupils who have successfully completed
12 courses that satisfy the requirements for entrance to the University
13 of California and the California State University, or career technical
14 education sequences or programs of study that align with state
15 board-approved career technical education standards and
16 frameworks, including, but not limited to, those described in
17 subdivision (a) of Section 52302, subdivision (a) of Section
18 52372.5, or paragraph (2) of subdivision (e) of Section 54692.

19 (D) The percentage of English learner pupils who make progress
20 toward English proficiency as measured by the California English
21 Language Development Test or any subsequent assessment of
22 English proficiency, as certified by the state board.

23 (E) The English learner reclassification rate.

24 (F) The percentage of pupils who have passed an advanced
25 placement examination with a score of 3 or higher.

26 (G) The percentage of pupils who participate in, and demonstrate
27 college preparedness pursuant to, the Early Assessment Program,
28 as described in Chapter 6 (commencing with Section 99300) of
29 Part 65 of Division 14 of Title 3, or any subsequent assessment of
30 college preparedness.

31 (5) Pupil engagement, as measured by all of the following, as
32 applicable:

33 (A) School attendance rates.

34 (B) Chronic absenteeism rates.

35 (C) Middle school dropout rates, as described in paragraph (3)
36 of subdivision (a) of Section 52052.1.

37 (D) High school dropout rates.

38 (E) High school graduation rates.

39 (6) School climate, as measured by all of the following, as
40 applicable:

- 1 (A) Pupil suspension rates.
- 2 (B) Pupil expulsion rates.
- 3 (C) Other local measures, including surveys of pupils, parents,
4 and teachers on the sense of safety and school connectedness.
- 5 (7) The extent to which pupils have access to, and are enrolled
6 in, a broad course of study that includes all of the subject areas
7 described in Section 51210 and subdivisions (a) to (i), inclusive,
8 of Section 51220, as applicable, including the programs and
9 services developed and provided to unduplicated pupils and
10 individuals with exceptional needs, and the program and services
11 that are provided to benefit these pupils as a result of the funding
12 received pursuant to Section 42238.02, as implemented by Section
13 42238.03.
- 14 (8) Pupil outcomes, if available, in the subject areas described
15 in Section 51210 and subdivisions (a) to (i), inclusive, of Section
16 51220, as applicable.
- 17 (9) How the county superintendent of schools will coordinate
18 instruction of expelled pupils pursuant to Section 48926.
- 19 (10) How the county superintendent of schools will coordinate
20 services for foster children, including, but not limited to, all of the
21 following:
 - 22 (A) Working with the county child welfare agency to minimize
23 changes in school placement.
 - 24 (B) Providing education-related information to the county child
25 welfare agency to assist the county child welfare agency in the
26 delivery of services to foster children, including, but not limited
27 to, educational status and progress information that is required to
28 be included in court reports.
 - 29 (C) Responding to requests from the juvenile court for
30 information and working with the juvenile court to ensure the
31 delivery and coordination of necessary educational services.
 - 32 (D) Establishing a mechanism for the efficient expeditious
33 transfer of health and education records and the health and
34 education passport.
 - 35 (e) For purposes of the descriptions required by subdivision (c),
36 a county board of education may consider qualitative information,
37 including, but not limited to, findings that result from school quality
38 reviews conducted pursuant to subparagraph (J) or paragraph (4)
39 of subdivision (a) of Section 52052 or any other reviews.

1 (f) To the extent practicable, data reported in a local control and
2 accountability plan shall be reported in a manner consistent with
3 how information is reported on a school accountability report card.

4 (g) The county superintendent of schools shall consult with
5 teachers, principals, administrators, other school personnel, local
6 bargaining units of the county office of education, parents, and
7 pupils in developing a local control and accountability plan.

8 (h) A county board of education may identify local priorities,
9 goals in regard to the local priorities, and the method for measuring
10 the county office of education’s progress toward achieving those
11 goals.

12 ~~SEC. 45.~~

13 *SEC. 44.* Section 52068 of the Education Code is amended to
14 read:

15 52068. (a) Before the county board of education considers the
16 adoption of a local control and accountability plan or an annual
17 update to the local control and accountability plan, all of the
18 following shall occur:

19 (1) The county superintendent of schools shall present the local
20 control and accountability plan or annual update to the local control
21 and accountability plan to a parent advisory committee established
22 pursuant to Section 52069 for review and comment. The county
23 superintendent of schools shall respond, in writing, to comments
24 received from the parent advisory committee.

25 (2) The county superintendent of schools shall present the local
26 control and accountability plan or annual update to the local control
27 and accountability plan to the English learner parent advisory
28 committee established pursuant to Section 52069, if applicable,
29 for review and comment. The county superintendent of schools
30 shall respond, in writing, to comments received from the English
31 learner parent advisory committee.

32 (3) The county superintendent of schools shall notify members
33 of the public of the opportunity to submit written comments
34 regarding the specific actions and expenditures proposed to be
35 included in the local control and accountability plan or annual
36 update to the local control and accountability plan, using the most
37 efficient method of notification possible. This paragraph shall not
38 require a county superintendent of schools to produce printed
39 notices or to send notices by mail. The county superintendent of
40 schools shall ensure that all written notifications related to the

1 local control and accountability plan or annual update to the local
2 control and accountability plan are provided consistent with Section
3 48985.

4 (4) The county superintendent of schools shall review school
5 plans submitted pursuant to Section 64001 for schools operated
6 by the county superintendent of schools and ensure that the specific
7 actions included in the local control and accountability plan or
8 annual update to the local control and accountability plan are
9 consistent with strategies included in the school plans submitted
10 pursuant to Section 64001.

11 (b) (1) The county board of education shall hold at least one
12 public hearing to solicit the recommendations and comments of
13 members of the public regarding the specific actions and
14 expenditures proposed to be included in the local control and
15 accountability plan or annual update to the local control and
16 accountability plan. The agenda for the public hearing shall be
17 posted at least 72 hours before the public hearing and shall include
18 the location where the local control and accountability plan or
19 annual update to the local control and accountability plan, and any
20 comments received pursuant to paragraphs (1) to (3), inclusive, of
21 subdivision (a), will be available for public inspection. The public
22 hearing shall be held at the same meeting as the public hearing
23 required by Section 1620.

24 (2) The county board of education shall adopt a local control
25 and accountability plan or annual update to the local control and
26 accountability plan in a public meeting. This meeting shall be held
27 after, but not on the same day as, the public hearing held pursuant
28 to paragraph (1). This meeting shall be the same meeting as that
29 during which the county board of education adopts a budget
30 pursuant to Section 1622.

31 (c) A county superintendent of schools may develop and present
32 to a county board of education for adoption revisions to a local
33 control and accountability plan during the period the local control
34 and accountability plan is in effect. The county board of education
35 may only adopt a revision to a local control and accountability
36 plan if it follows the process to adopt a local control and
37 accountability plan pursuant to this section and the revisions are
38 adopted in a public meeting.

1 ~~SEC. 46.~~

2 *SEC. 45.* Section 52070 of the Education Code is amended to
3 read:

4 52070. (a) Not later than five days after adoption of a local
5 control and accountability plan or annual update to a local control
6 and accountability plan, the governing board of a school district
7 shall file the local control and accountability plan or annual update
8 to the local control and accountability plan with the county
9 superintendent of schools.

10 (b) On or before August 15 of each year, the county
11 superintendent of schools may seek clarification, in writing, from
12 the governing board of a school district about the contents of the
13 local control and accountability plan or annual update to the local
14 control and accountability plan. Within 15 days the governing
15 board of a school district shall respond, in writing, to requests for
16 clarification.

17 (c) Within 15 days of receiving the response from the governing
18 board of the school district, the county superintendent of schools
19 may submit recommendations, in writing, for amendments to the
20 local control and accountability plan or annual update to the local
21 control and accountability plan. The governing board of a school
22 district shall consider the recommendations submitted by the county
23 superintendent of schools in a public meeting within 15 days of
24 receiving the recommendations.

25 (d) The county superintendent of schools shall approve a local
26 control and accountability plan or annual update to a local control
27 and accountability plan on or before October 8, if he or she
28 determines all of the following:

29 (1) The local control and accountability plan or annual update
30 to the local control and accountability plan adheres to the template
31 adopted by the state board pursuant to Section 52064.

32 (2) The budget for the applicable fiscal year adopted by the
33 governing board of the school district includes expenditures
34 sufficient to implement the specific actions and strategies included
35 in the local control and accountability plan adopted by the
36 governing board of the school district, based on the projections of
37 the costs included in the plan.

38 (3) The local control and accountability plan or annual update
39 to the local control and accountability plan adheres to the
40 expenditure requirements adopted pursuant to Section 42238.07

1 for funds apportioned on the basis of the number and concentration
2 of unduplicated pupils pursuant to Sections 42238.02 and 42238.03.

3 (e) If a county superintendent of schools has jurisdiction over
4 a single school district, the Superintendent shall designate a county
5 superintendent of schools of an adjoining county to perform the
6 duties specified in this section.

7 ~~SEC. 47.~~

8 *SEC. 46.* Section 52070.5 of the Education Code is amended
9 to read:

10 52070.5. (a) Not later than five days after adoption of a local
11 control and accountability plan or annual update to a local control
12 and accountability plan, the county board of education shall file
13 the local control and accountability plan or annual update to the
14 local control and accountability plan with the Superintendent.

15 (b) On or before August 15 of each year, the Superintendent
16 may seek clarification, in writing, from the county board of
17 education about the contents of the local control and accountability
18 plan or annual update to the local control and accountability plan.
19 Within 15 days the county board of education shall respond, in
20 writing, to requests for clarification.

21 (c) Within 15 days of receiving the response from the county
22 board of education, the Superintendent may submit
23 recommendations, in writing, for amendments to the local control
24 and accountability plan or annual update to the local control and
25 accountability plan. The county board of education shall consider
26 the recommendations submitted by the Superintendent in a public
27 meeting within 15 days of receiving the recommendations.

28 (d) The Superintendent shall approve a local control and
29 accountability plan or annual update to a local control and
30 accountability plan on or before October 8, if he or she determines
31 all of the following:

32 (1) The local control and accountability plan or annual update
33 to the local control and accountability plan adheres to the template
34 adopted by the state board pursuant to Section 52064.

35 (2) The budget for the applicable fiscal year adopted by the
36 county board of education includes expenditures sufficient to
37 implement the specific actions and strategies included in the local
38 control and accountability plan adopted by the county board of
39 education, based on the projections of the costs included in the
40 plan.

1 (3) The local control and accountability plan or annual update
2 to the local control and accountability plan adheres to the
3 expenditure requirements adopted pursuant to Section 42238.07
4 for funds apportioned on the basis of the number and concentration
5 of unduplicated pupils pursuant to Sections 2574 and 2575.

6 ~~SEC. 48.~~

7 *SEC. 47.* Section 52074 of the Education Code is amended to
8 read:

9 52074. (a) The California Collaborative for Educational
10 Excellence is hereby established.

11 (b) The purpose of the California Collaborative for Educational
12 Excellence is to advise and assist school districts, county
13 superintendents of schools, and charter schools in achieving the
14 goals set forth in a local control and accountability plan adopted
15 pursuant to this article.

16 (c) The Superintendent shall, with the approval of the state
17 board, contract with a local educational agency, or consortium of
18 local educational agencies, to serve as the fiscal agent for the
19 California Collaborative for Educational Excellence. The
20 Superintendent shall apportion funds appropriated for the California
21 Collaborative for Educational Excellence to the fiscal agent.

22 (d) At the direction of the Superintendent and with the approval
23 of the state board, the fiscal agent shall contract with individuals,
24 local educational agencies, or organizations with the expertise,
25 experience, and a record of success to carry out the purposes of
26 this article. The areas of expertise, experience, and record of
27 success shall include, but are not limited to, all of the following:

28 (1) State priorities as described in subdivision (d) of Section
29 52060.

30 (2) Improving the quality of teaching.

31 (3) Improving the quality of school district and schoolsite
32 leadership.

33 (4) Successfully addressing the needs of special pupil
34 populations, including, but not limited to, English learners, pupils
35 eligible to receive a free or reduced-price meal, pupils in foster
36 care, and individuals with exceptional needs.

37 (e) The Superintendent may direct the California Collaborative
38 for Educational Excellence to advise and assist a school district,
39 county superintendent of schools, or charter school in any of the
40 following circumstances:

1 (1) If the governing board of a school district, county board of
2 education, or governing body or a charter school requests the advice
3 and assistance of the California Collaborative for Educational
4 Excellence.

5 (2) If the county superintendent of schools of the county in
6 which the school district or charter school is located determines,
7 following the provision of technical assistance pursuant to Section
8 52071 or 47607.3 as applicable, that the advice and assistance of
9 the California Collaborative for Educational Excellence is
10 necessary to help the school district or charter school accomplish
11 the goals described in the local control and accountability plan
12 adopted pursuant to this article.

13 (3) If the Superintendent determines that the advice and
14 assistance of the California Collaborative for Educational
15 Excellence is necessary to help the school district, county
16 superintendent of schools, or charter school accomplish the goals
17 set forth in the local control and accountability plan adopted
18 pursuant to this article.

19 ~~SEC. 49.~~

20 *SEC. 48.* Section 56836.11 of the Education Code is amended
21 to read:

22 56836.11. (a) For the purpose of computing the equalization
23 adjustment for special education local plan areas for the 1998–99
24 fiscal year, the Superintendent shall make the following
25 computations to determine the statewide target amount per unit of
26 average daily attendance for special education local plan areas:

27 (1) Total the amount of funding computed for each special
28 education local plan area exclusive of the amount of funding
29 computed for the special education local plan area identified as
30 the Los Angeles County Juvenile Court and Community
31 School/Division of Alternative Education Special Education Local
32 Plan Area, pursuant to Section 56836.09 for the 1997–98 fiscal
33 year.

34 (2) Total the number of units of average daily attendance
35 reported for each special education local plan area for the 1997–98
36 fiscal year, exclusive of average daily attendance for absences
37 excused pursuant to subdivision (b) of Section 46010 as that section
38 read on July 1, 1996, and exclusive of the units of average daily
39 attendance computed for the special education local plan area
40 identified as the Los Angeles County Juvenile Court and

1 Community School/Division of Alternative Education Special
2 Education Local Plan Area.

3 (3) Divide the sum computed in paragraph (1) by the sum
4 computed in paragraph (2) to determine the statewide target amount
5 for the 1997–98 fiscal year.

6 (4) Add the amount computed in paragraph (3) to the inflation
7 adjustment computed pursuant to subdivision (d) of Section
8 56836.08 for the 1998–99 fiscal year to determine the statewide
9 target amount for the 1998–99 fiscal year.

10 (b) Commencing with the 1999–2000 fiscal year to the 2004–05
11 fiscal year, inclusive, to determine the statewide target amount per
12 unit of average daily attendance for special education local plan
13 areas, the Superintendent shall multiply the statewide target amount
14 per unit of average daily attendance computed for the prior fiscal
15 year pursuant to this section by one plus the inflation factor
16 computed pursuant to subdivision (b) of Section 42238.1 for the
17 fiscal year in which the computation is made.

18 (c) Commencing with the 2005–06 fiscal year and ending with
19 the 2010–11 fiscal year, to determine the statewide target amount
20 per unit of average daily attendance for special education local
21 plan areas for the purpose of computing the incidence multiplier
22 pursuant to former Section 56836.155, the Superintendent shall
23 add the statewide target amount per unit of average daily attendance
24 computed for the prior fiscal year for this purpose to the amount
25 computed in paragraph (2) of subdivision (d) or paragraph (2) of
26 subdivision (e), as appropriate.

27 (d) For the 2005–06 fiscal year, the Superintendent shall make
28 the following computation to determine the statewide target amount
29 per unit of average daily attendance to determine the inflation
30 adjustment pursuant to paragraph (2) of subdivision (d) of Section
31 56836.08 and growth pursuant to subdivision (c) of Section
32 56836.15, as follows:

33 (1) The 2004–05 fiscal year statewide target amount per unit of
34 average daily attendance less the sum of the 2004–05 fiscal year
35 total amount of federal funds apportioned pursuant to Schedule
36 (1) in Item 6110-161-0890 of Section 2.00 of the Budget Act of
37 2004 for purposes of special education for individuals with
38 exceptional needs enrolled in kindergarten and grades 1 to 12,
39 inclusive, divided by the total average daily attendance computed
40 for the 2004–05 fiscal year.

1 (2) Multiply the amount computed in paragraph (1) by the
2 inflation factor computed pursuant to subdivision (b) of Section
3 42238.1 for the fiscal year in which the computation is made.

4 (3) Add the amounts computed in paragraphs (1) and (2).

5 (e) Commencing with the 2006–07 fiscal year and continuing
6 through the 2012–13 fiscal year, inclusive, the Superintendent
7 shall make the following computation to determine the statewide
8 target amount per unit of average daily attendance for special
9 education local plan areas for the purpose of computing the
10 inflation adjustment pursuant to paragraph (2) of subdivision (d)
11 of Section 56836.08 and growth pursuant to subdivision (c) of
12 Section 56836.15:

13 (1) The statewide target amount per unit of average daily
14 attendance computed for the prior fiscal year pursuant to this
15 section.

16 (2) Multiply the amount computed in paragraph (1) by the
17 inflation factor computed pursuant to subdivision (b) of Section
18 42238.1 for the fiscal year in which the computation is made.

19 (3) Add the amounts computed in paragraphs (1) and (2).

20 (f) For the 2013–14 fiscal year, the Superintendent shall make
21 the following computations to determine the statewide target
22 amount per unit of average daily attendance to determine the
23 inflation adjustment pursuant to subdivision (g) of Section
24 56836.08 and growth pursuant to subdivision (c) of Section
25 56836.15, as follows:

26 (1) Total the amount of funding computed for each special
27 education local plan area pursuant to the amount computed in
28 subdivision (b) of Section 56836.08, including the amount of funds
29 appropriated pursuant to Provision 22 of Item 6110-161-0001 of
30 Section 2.00 of the Budget Act of 2013, and excluding the amount
31 of funding computed for the special education local plan area
32 identified as the Los Angeles County Juvenile Court and
33 Community School/Division of Alternative Education Special
34 Education Local Plan Area, for the 2013–14 fiscal year.

35 (2) Total the number of units of average daily attendance
36 reported for each special education local plan area for the 2012–13
37 fiscal year, exclusive of the units of average daily attendance
38 computed for the special education local plan area identified as
39 the Los Angeles County Juvenile Court and Community

1 School/Division of Alternative Education Special Education Local
2 Plan Area.

3 (3) Divide the sum computed in paragraph (1) by the sum
4 computed in paragraph (2).

5 (g) Commencing with the 2014–15 fiscal year and continuing
6 each fiscal year thereafter, the Superintendent shall make the
7 following computations to determine the statewide target amount
8 per unit of average daily attendance for special education local
9 plan areas for the purpose of computing the inflation adjustment
10 pursuant to subdivision (g) of Section 56836.08 and growth
11 pursuant to subdivision (c) of Section 56836.15:

12 (1) The statewide target amount per unit of average daily
13 attendance computed for the prior fiscal year pursuant to this
14 section.

15 (2) Multiply the amount computed in paragraph (1) by the
16 inflation factor computed pursuant to Section 42238.1, as that
17 section read on January 1, 2013, or any successor section of law
18 enacted by the Legislature that specifies the inflation factor
19 contained in Section 42238.1, as that section read on January 1,
20 2013, for application to the 2014–15 fiscal year and each fiscal
21 year thereafter.

22 (3) Add the amounts computed in paragraphs (1) and (2).

23 ~~SEC. 50.~~

24 *SEC. 49.* Section 70022 of the Education Code is amended to
25 read:

26 70022. (a) (1) Subject to an available and sufficient
27 appropriation, commencing with the 2014–15 academic year, an
28 undergraduate student enrolled in the California State University
29 or the University of California who meets the requirements of
30 paragraph (2) is eligible for a scholarship award as described in
31 that paragraph.

32 (2) Each academic year, except as provided in paragraphs (3)
33 and (4), a student shall receive a scholarship award in an amount
34 that, combined with other publicly funded student financial aid
35 received by an eligible student, is up to 40 percent of the amount
36 charged to that student in that academic year for mandatory
37 systemwide tuition and fees, if all of the following requirements
38 are met:

39 (A) The student’s annual household income does not exceed
40 one hundred fifty thousand dollars (\$150,000). For purposes of

1 this article, annual household income shall be calculated in a
2 manner that is consistent with the requirements applicable to the
3 Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Program
4 (Chapter 1.7 (commencing with Section 69430)) and Section
5 69506.

6 (B) The student satisfies the eligibility requirements for a Cal
7 Grant award pursuant to Section 69433.9, except that a student
8 who is exempt from nonresident tuition under Section 68130.5
9 shall not be required to satisfy the requirements of subdivision (a)
10 of Section 69433.9.

11 (C) The student is exempt from paying nonresident tuition.

12 (D) The student completes and submits a Free Application for
13 Federal Student Aid (FAFSA) application. If the student is not
14 able to complete a FAFSA application, the student submits an
15 application determined by the commission to be equivalent to the
16 FAFSA application for purposes of this article.

17 (E) The student makes a timely application or applications for
18 publicly funded student financial aid from programs for which he
19 or she is eligible, other than the program established by this article.
20 For purposes of this article, “publicly funded student financial aid”
21 shall be defined as the federal Pell Grant Program, the Cal Grant
22 Program, and institutional need-based grants.

23 (F) The student maintains satisfactory academic progress in a
24 manner that is consistent with the requirements applicable to the
25 Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Program
26 pursuant to subdivision (m) of Section 69432.7.

27 (3) The scholarship award under this article to a student whose
28 annual household income is greater than one hundred thousand
29 dollars (\$100,000), and who otherwise meets the requirements of
30 paragraph (2), shall be reduced by 0.6-percent increments, from a
31 maximum 40 percent of mandatory systemwide tuition and fees
32 for an academic year to a minimum 10 percent of mandatory
33 systemwide tuition and fees for an academic year, per one thousand
34 dollars (\$1,000) of annual household income in excess of one
35 hundred thousand dollars (\$100,000), provided that no scholarship
36 award shall be provided to a student with an annual household
37 income exceeding one hundred fifty thousand dollars (\$150,000).
38 This reduction shall be in addition to any reduction required by
39 subdivision (e) of Section 70023.

1 (4) For the 2014–15, 2015–16, and 2016–17 academic years,
2 the maximum amount of a student’s scholarship award shall be 35
3 percent, 50 percent, and 75 percent, respectively, of the total
4 scholarship award amount that the student would otherwise be
5 eligible to receive.

6 (b) In order for students enrolled in their respective segments
7 to remain eligible to receive a scholarship under this article, the
8 University of California and the California State University shall
9 not supplant their respective institutional need-based grants with
10 the funds provided for scholarships under this article, and shall
11 maintain their funding amounts at a level that, at a minimum, is
12 equal to the level maintained for undergraduate students during
13 the 2013–14 academic year.

14 (c) The University of California and the California State
15 University shall report on the implementation of this article as part
16 of the report made pursuant to Section 66021.1.

17 ~~SEC. 51.~~

18 *SEC. 50.* Section 84321.6 of the Education Code, as added by
19 Section 74 of Chapter 48 of the Statutes of 2013, is amended to
20 read:

21 84321.6. (a) Notwithstanding any other law that governs the
22 regulations adopted by the Chancellor of the California Community
23 Colleges to disburse funds, the payment of apportionments to
24 community college districts pursuant to Sections 84320 and 84321
25 shall be adjusted by the following:

26 (1) For the month of February, fifty-two million four hundred
27 fifty-six thousand dollars (\$52,456,000) shall be deferred to July.

28 (2) For the month of March, one hundred thirty-five million
29 dollars (\$135,000,000) shall be deferred to July.

30 (3) For the month of April, one hundred thirty-five million
31 dollars (\$135,000,000) shall be deferred to July.

32 (4) For the month of May, one hundred thirty-five million dollars
33 (\$135,000,000) shall be deferred to July.

34 (5) For the month of June, one hundred thirty-five million dollars
35 (\$135,000,000) shall be deferred to July.

36 (b) In satisfaction of the moneys deferred pursuant to subdivision
37 (a), the sum of five hundred ninety-two million four hundred
38 fifty-six thousand dollars (\$592,456,000) is hereby appropriated
39 in July of the 2014–15 fiscal year from the General Fund to the
40 Board of Governors of the California Community Colleges for

1 apportionments to community college districts, for expenditure
2 during the 2014–15 fiscal year, to be expended in accordance with
3 Schedule (1) of Item 6870-101-0001 of Section 2.00 of the Budget
4 Act of 2013.

5 (c) For purposes of making the computations required by Section
6 8 of Article XVI of the California Constitution, the appropriations
7 made by subdivision (b) shall be deemed to be “General Fund
8 revenues appropriated for community college districts,” as defined
9 in subdivision (d) of Section 41202, for the 2014–15 fiscal year,
10 and included within the “total allocations to school districts and
11 community college districts from General Fund proceeds of taxes
12 appropriated pursuant to Article XIII B,” as defined in subdivision
13 (e) of Section 41202, for the 2014–15 fiscal year.

14 (d) This section shall become operative on December 15, 2013.

15 (e) This section shall remain in effect only until January 1, 2015,
16 and as of that date is repealed, unless a later enacted statute, that
17 is enacted before January 1, 2015, deletes or extends that date.

18 ~~SEC. 52.~~

19 *SEC. 51.* Section 17581.7 of the Government Code is amended
20 to read:

21 17581.7. (a) Funding apportioned pursuant to this section shall
22 constitute reimbursement pursuant to Section 6 of Article XIII B
23 of the California Constitution for the performance of any state
24 mandates included in the statutes and executive orders identified
25 in subdivision (e).

26 (b) Any community college district may elect to receive block
27 grant funding pursuant to this section.

28 (c) (1) A community college district that elects to receive block
29 grant funding pursuant to this section in a given fiscal year shall
30 submit a letter requesting funding to the Chancellor of the
31 California Community Colleges on or before August 30 of that
32 fiscal year.

33 (2) The Chancellor of the California Community Colleges shall
34 apportion, in the month of November of each year, block grant
35 funding appropriated in Item 6870-296-0001 of Section 2.00 of
36 the annual Budget Act to all community college districts that
37 submitted letters requesting funding in that fiscal year according
38 to the provisions of that item.

39 (3) A community college district that receives block grant
40 funding pursuant to this section shall not be eligible to submit

1 claims to the Controller for reimbursement pursuant to Section
2 17560 for any costs of any state mandates included in the statutes
3 and executive orders identified in subdivision (e) incurred in the
4 same fiscal year during which the community college district
5 received funding pursuant to this section.

6 (d) All funding apportioned pursuant to this section is subject
7 to annual financial and compliance audits required by Section
8 84040 of the Education Code.

9 (e) Block grant funding apportioned pursuant to this section is
10 specifically intended to fund the costs of the following programs:

11 (1) Agency Fee Arrangements (00-TC-17 and 01-TC-14;
12 Chapter 893 of the Statutes of 2000; and Chapter 805 of the
13 Statutes of 2001).

14 (2) Cal Grants (02-TC-28; Chapter 403 of the Statutes of 2000).

15 (3) California State Teachers' Retirement System (CalSTRS)
16 Service Credit (02-TC-19; Chapter 603 of the Statutes of 1994;
17 Chapters 383, 634, and 680 of the Statutes of 1996; Chapter 838
18 of the Statutes of 1997; Chapter 965 of the Statutes of 1998;
19 Chapter 939 of the Statutes of 1999; and Chapter 1021 of the
20 Statutes of 2000).

21 (4) Collective Bargaining and Collective Bargaining Agreement
22 Disclosure (CSM 4425 and 97-TC-08; Chapter 961 of the Statutes
23 of 1975; Chapter 1213 of the Statutes of 1991).

24 (5) Community College Construction (02-TC-47; Chapter 910
25 of the Statutes of 1980; Chapters 470 and 891 of the Statutes of
26 1981; Chapter 973 of the Statutes of 1988; Chapter 1372 of the
27 Statutes of 1990; Chapter 1038 of the Statutes of 1991; and Chapter
28 758 of the Statutes of 1995).

29 (6) Discrimination Complaint Procedures (02-TC-42 and
30 portions of 02-TC-25 and 02-TC-31; Chapter 1010 of the Statutes
31 of 1976; Chapter 470 of the Statutes of 1981; Chapter 1117 of the
32 Statutes of 1982; Chapter 143 of the Statutes of 1983; Chapter
33 1371 of the Statutes of 1984; Chapter 973 of the Statutes of 1988;
34 Chapter 1372 of the Statutes of 1990; Chapter 1198 of the Statutes
35 of 1991; Chapter 914 of the Statutes of 1998; Chapter 587 of the
36 Statutes of 1999; and Chapter 1169 of the Statutes of 2002).

37 (7) Enrollment Fee Collection and Waivers (99-TC-13 and
38 00-TC-15).

39 (8) Health Fee Elimination (CSM 4206; Chapter 1 of the Statutes
40 of 1984, Second Extraordinary Session).

1 (9) Minimum Conditions for State Aid (02-TC-25 and 02-TC-31;
2 Chapter 802 of the Statutes of 1975; Chapters 275, 783, 1010, and
3 1176 of the Statutes of 1976; Chapters 36 and 967 of the Statutes
4 of 1977; Chapters 797 and 977 of the Statutes of 1979; Chapter
5 910 of the Statutes of 1980; Chapters 470 and 891 of the Statutes
6 of 1981; Chapters 1117 and 1329 of the Statutes of 1982; Chapters
7 143 and 537 of the Statutes of 1983; Chapter 1371 of the Statutes
8 of 1984; Chapter 1467 of the Statutes of 1986; Chapters 973 and
9 1514 of the Statutes of 1988; Chapters 1372 and 1667 of the
10 Statutes of 1990; Chapters 1038, 1188, and 1198 of the Statutes
11 of 1991; Chapters 493 and 758 of the Statutes of 1995; Chapters
12 365, 914, and 1023 of the Statutes of 1998; Chapter 587 of the
13 Statutes of 1999; Chapter 187 of the Statutes of 2000; and Chapter
14 1169 of the Statutes of 2002).

15 (10) Prevailing Wage Rate (01-TC-28; Chapter 1249 of the
16 Statutes of 1978).

17 (11) Reporting Improper Governmental Activities (02-TC-24;
18 Chapter 416 of the Statutes of 2001; and Chapter 81 of the Statutes
19 of 2002).

20 (12) Threats Against Peace Officers (CSM 96-365-02; Chapter
21 1249 of the Statutes of 1992; and Chapter 666 of the Statutes of
22 1995).

23 (13) Tuition Fee Waivers (02-TC-21; Chapter 36 of the Statutes
24 of 1977; Chapter 580 of the Statutes of 1980; Chapter 102 of the
25 Statutes of 1981; Chapter 1070 of the Statutes of 1982; Chapter
26 753 of the Statutes of 1988; Chapters 424, 900, and 985 of the
27 Statutes 1989; Chapter 1372 of the Statutes of 1990; Chapter 455
28 of the Statutes of 1991; Chapter 8 of the Statutes of 1993; Chapter
29 389 of the Statutes of 1995; Chapter 438 of the Statutes of 1997;
30 Chapter 952 of the Statutes of 1998; Chapters 571 and 949 of the
31 Statutes of 2000; Chapter 814 of the Statutes of 2001; and Chapter
32 450 of the Statutes of 2002).

33 (f) Notwithstanding Section 10231.5, on or before November
34 1 of each fiscal year, the Chancellor of the California Community
35 Colleges shall produce a report that indicates the total amount of
36 block grant funding each community college district received in
37 the current fiscal year pursuant to this section. The chancellor shall
38 provide this report to the appropriate fiscal and policy committees
39 of the Legislature, the Controller, the Department of Finance, and
40 the Legislative Analyst's Office.

1 ~~SEC. 53.~~

2 *SEC. 52.* Section 26225 of the Public Resources Code is
3 amended to read:

4 26225. For the purposes of this chapter, the following terms
5 have the following meanings:

6 (a) “Chancellor” means the Chancellor of the California
7 Community Colleges.

8 (b) “Energy Commission” means the State Energy Resources
9 Conservation and Development Commission.

10 (c) “Local education agency,” “local educational agency,” or
11 “LEA” means a school district, county office of education, charter
12 school, or state special school.

13 (d) “Job Creation Fund” means the Clean Energy Job Creation
14 Fund established in Section 26205.

15 ~~SEC. 54.~~

16 *SEC. 53.* Section 26233 of the Public Resources Code is
17 amended to read:

18 26233. (a) Commencing with the 2013–14 fiscal year and
19 through the 2017–18 fiscal year, inclusive, the funds deposited
20 annually in the Job Creation Fund and remaining after the transfer
21 pursuant to Section 26227 and the appropriation pursuant to Section
22 26230 shall be allocated, to the extent consistent with this division,
23 as follows:

24 (1) Eighty-nine percent of the funds shall be available to local
25 educational agencies and allocated by the Superintendent of Public
26 Instruction pursuant to subdivision (b).

27 (2) Eleven percent of the funds shall be available to community
28 college districts and allocated by the Chancellor of the California
29 Community Colleges at his or her discretion.

30 (b) The Superintendent of Public Instruction shall allocate the
31 funds provided in paragraph (1) of subdivision (a) as follows:

32 (1) Eighty-five percent on the basis of average daily attendance
33 reported as of the second principal apportionment for the prior
34 fiscal year. For purposes of this section, average daily attendance
35 for the state special schools shall be deemed to be 97 percent of
36 the prior year enrollment as reported in the California Longitudinal
37 Pupil Achievement Data System.

38 (A) For every local educational agency with average daily
39 attendance as reported pursuant to this subdivision of 100 or less,
40 the amount awarded shall be fifteen thousand dollars (\$15,000).

1 (B) For every local educational agency with average daily
 2 attendance as reported pursuant to this subdivision in excess of
 3 100, but 1,000 or less, the amount awarded shall be either that
 4 local educational agency’s proportional award on the basis of
 5 average daily attendance or fifty thousand dollars (\$50,000),
 6 whichever amount is larger.

7 (C) For every local educational agency with average daily
 8 attendance as reported pursuant to this subdivision in excess of
 9 1,000, but less than 2,000, the amount awarded shall be either that
 10 local educational agency’s proportional award on the basis of
 11 average daily attendance or one hundred thousand dollars
 12 (\$100,000), whichever amount is larger.

13 (D) For every local educational agency with average daily
 14 attendance as reported pursuant to this subdivision of 2,000 or
 15 more, the amount awarded shall be the local educational agency’s
 16 proportional award on the basis of average daily attendance.

17 (2) Fifteen percent on the basis of students eligible for free and
 18 reduced-price meals in the prior year.

19 (3) For every local educational agency that receives over one
 20 million dollars (\$1,000,000) pursuant to this subdivision, not less
 21 than 50 percent of the funds shall be used for projects larger than
 22 two hundred fifty thousand dollars (\$250,000) that achieve
 23 substantial energy efficiency, clean energy, and jobs benefits.

24 (c) A local educational agency subject to subparagraph (A) or
 25 (B) of paragraph (1) of subdivision (b) may submit a written
 26 request to the Superintendent of Public Instruction, by September
 27 1 of each year, to receive in the current year its funding allocation
 28 for both the current year and the following year, both of which
 29 would be based on the average daily attendance used in the current
 30 year for determining funding pursuant to the applicable
 31 subparagraph. A local educational agency requesting funding
 32 pursuant to this subdivision shall not receive a funding allocation
 33 in the year following the request. This election applies to the
 34 funding available pursuant to paragraphs (1) and (2) of subdivision
 35 (b).

36 (d) A local educational agency shall encumber funds received
 37 pursuant to this section by June 30, 2018.

38 ~~SEC. 55.~~

39 *SEC. 54.* Section 26235 of the Public Resources Code is
 40 amended to read:

1 26235. (a) The Energy Commission, in consultation with the
2 Superintendent of Public Instruction, the Chancellor of the
3 California Community Colleges, and the Public Utilities
4 Commission, shall establish guidelines for the following:

5 (1) Standard methods for estimating energy benefits, including
6 reasonable assumptions for current and future costs of energy, and
7 guidelines to compute the cost of energy saved as a result of
8 implementing eligible projects funded by this chapter.

9 (2) Contractor qualifications, licensing, and certifications
10 appropriate for the work to be performed, provided that the Energy
11 Commission shall not create any new qualification, license, or
12 certification pursuant to this subparagraph.

13 (3) Project evaluation, including the following:

14 (A) Benchmarks or energy rating systems to select best
15 candidate facilities.

16 (B) Use of energy surveys or audits to inform project
17 opportunities, costs, and savings.

18 (C) Sequencing of facility improvements.

19 (D) Methodologies for cost-effectiveness determination.

20 (4) To ensure that adequate energy audit, measurement, and
21 verification procedures are employed to ensure that energy savings
22 and greenhouse gas emissions reductions occur as a result of any
23 funding provided pursuant to this section. The Energy Commission
24 shall develop a simple preinstallation verification form that includes
25 project description, estimated energy savings, expected number
26 of jobs created, current energy usage, and costs. The Energy
27 Commission may develop benchmarking and other innovative
28 facility evaluation systems in coordination with the University of
29 California.

30 (5) Achievement of the maximum feasible energy efficiency or
31 clean energy benefits, as well as job creation benefits for
32 Californians, resulting from projects implemented pursuant to this
33 chapter.

34 (6) Where applicable, ensuring LEAs assist classified school
35 employees with training and information to better understand how
36 they can support and maximize the achievement of energy savings
37 envisioned by the funded project.

38 (b) The Energy Commission shall allow the use of data analytics
39 of energy usage data, where possible, in the energy auditing,
40 evaluation, inventorying, measuring, and verification of projects.

1 To ensure quality of results, data analytics providers shall have
2 received prior technical validation by the Energy Commission, a
3 local utility, or the Public Utilities Commission.

4 (c) A community college district or LEA shall not use a sole
5 source process to award funds pursuant to this chapter. A
6 community college district or LEA may use the best value criteria
7 as defined in paragraph (1) of subdivision (c) of Section 20133 of
8 the Public Contract Code to award funds pursuant to this chapter.

9 (d) The Energy Commission shall adopt the guidelines in
10 accordance with this section at a publicly noticed meeting and
11 provide an opportunity for public comment. The Energy
12 Commission shall provide written public notice of a meeting at
13 least 30 days prior to the meeting.

14 (1) For substantive revision of the guidelines, the Energy
15 Commission shall provide written notice of a meeting at least 15
16 days prior to the meeting at which the revision is to be considered
17 or adopted.

18 (2) The adoption or revision of guidelines pursuant to this
19 subdivision is exempt from Chapter 3.5 (commencing with Section
20 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

21 (e) Each participating LEA shall prioritize the eligible projects
22 within its jurisdiction taking into consideration, as applicable, at
23 least the following factors:

24 (1) The age of the school facilities, as well as any plans to close
25 or demolish the facilities.

26 (2) The proportion of pupils eligible for funds under Title I of
27 the federal No Child Left Behind Act of 2001 (20 U.S.C. Sec. 6301
28 et seq.) at particular schoolsites.

29 (3) Whether the facilities have been recently modernized.

30 (4) The facilities' hours of operation, including whether the
31 facilities are operated on a year-round basis.

32 (5) The school's energy intensity as determined from an energy
33 rating or benchmark system such as the United States
34 Environmental Protection Agency's Energy Star system or other
35 acceptable benchmarking approach that may be available from
36 local utilities, the American Society for Heating, Refrigerating,
37 and Air-Conditioning Engineers, Inc., or reputable building analysis
38 software as is appropriate to the size, budget, and expertise
39 available to the school.

1 (6) The estimated financial return of each project’s investment
2 over the expected lifecycle of the project, in terms of net present
3 value and return on investment.

4 (7) Each project’s potential for energy demand reduction.

5 (8) The anticipated health and safety improvements or other
6 nonenergy benefits for each project.

7 (9) The individual or collective project’s ability to facilitate
8 matriculation of local residents into state-certified apprenticeship
9 programs.

10 (10) The expected number of trainees and direct full-time
11 employees likely to be engaged for each LEA’s annual funding
12 commitments based upon a formula to be made available by the
13 Energy Commission or California Workforce Investment Board.
14 The formula shall be stated as labor-intensities per total project
15 dollar expended, and may differentiate by type of improvement,
16 equipment, or building trade involved.

17 (11) The ability of the project to enhance workforce
18 development and employment opportunities, utilize members of
19 the California Conservation Corps, certified local conservation
20 corps, Youth Build, veterans, Green Partnership Academies,
21 nonprofit organizations, high school career technical academies,
22 high school regional occupational programs, or state-certified
23 apprenticeship programs, or to accommodate learning opportunities
24 for school pupils or at-risk youth in the community.

25 (f) The Superintendent of Public Instruction shall not distribute
26 funds to an LEA unless the LEA has submitted to the Energy
27 Commission, and the Energy Commission has approved, an
28 expenditure plan that outlines the energy projects to be funded.
29 An LEA shall utilize a simple form expenditure plan developed
30 by the Energy Commission. The Energy Commission shall
31 promptly review the plan to ensure that it meets the criteria
32 specified in this section and in the guidelines developed by the
33 Energy Commission. A portion of the funds may be distributed to
34 an LEA upon request for energy audits and other plan development
35 activities prior to submission of the plan.

36 (g) This section shall not affect the eligibility of any eligible
37 entity awarded a grant pursuant to this section to receive other
38 incentives available from federal, state, and local government, or
39 from public utilities or other sources, or to leverage the grant from
40 this section with any other incentive.

1 (h) Any limitation of funds awarded to individual projects
2 pursuant to this chapter shall not preclude or otherwise limit the
3 total amount of funds that a recipient LEA or community college
4 may otherwise be eligible to receive as a result of identifying
5 multiple projects that meet the overall objectives and criteria
6 described in this chapter.

7 (i) For a school facility that is not publicly owned, an LEA
8 receiving moneys pursuant to this chapter for a project for that
9 facility shall require that the school repay to the state all moneys
10 received from the Job Creation Fund for the project if the school
11 voluntarily vacates the facility within five years of project
12 completion. The facility owner shall repay to the state all moneys
13 received from the Job Creation Fund for the project if the school
14 was forced to vacate the facility within the life of the project
15 completion. All benefits of these public funds should be received
16 by the school utilizing the facility.

17 (j) It is the intent of the Legislature that monetary savings at
18 eligible institutions from retrofit and installation projects pursuant
19 to this section be used to benefit students and learning at those
20 institutions.

21 ~~SEC. 56.~~

22 *SEC. 55.* Section 115 of Chapter 47 of the Statutes of 2013 is
23 amended to read:

24 Sec. 115. (a) The sum of two billion one hundred one million
25 one hundred sixty-one thousand dollars (\$2,101,161,000) is hereby
26 appropriated from the General Fund for the purposes of this act as
27 follows:

28 (1) Two million dollars (\$2,000,000) shall be appropriated to
29 the Governor's Office of Planning and Research for purposes of
30 implementing Sections 42238.07, 52064, and 52064.5 of the
31 Education Code.

32 (2) Two billion sixty-seven million one hundred forty thousand
33 dollars (\$2,067,140,000) shall be appropriated to the
34 Superintendent of Public Instruction and shall be allocated pursuant
35 to the calculation in subdivision (b) of Section 42238.03 of the
36 Education Code.

37 (3) Thirty-two million twenty-one thousand dollars
38 (\$32,021,000) shall be appropriated to the Superintendent of Public
39 Instruction and shall be allocated pursuant to the calculation in
40 subdivision (f) of Section 2575 of the Education Code.

1 (b) For purposes of making the computations required by Section
2 8 of Article XVI of the California Constitution, the amount
3 appropriated in *paragraphs (2) and (3) of* subdivision (a) shall be
4 deemed to be “General Fund revenues appropriated for school
5 districts,” as defined in subdivision (c) of Section 41202 of the
6 Education Code, for the 2013–14 fiscal year, and included within
7 the “total allocations to school districts and community college
8 districts from General Fund proceeds of taxes appropriated pursuant
9 to Article XIII B,” as defined in subdivision (e) of Section 41202
10 of the Education Code, for the 2013–14 fiscal year.

11 ~~SEC. 57.~~

12 *SEC. 56.* Section 83 of Chapter 48 of the Statutes of 2013 is
13 amended to read:

14 Sec. 83. (a) Notwithstanding any other law, the Inglewood
15 Unified School District, through the State Department of Education,
16 may request cashflow loans from the General Fund for a total of
17 up to fifty-five million dollars (\$55,000,000) for emergency
18 operational purposes.

19 (b) Unless otherwise specified in this section, the terms and
20 conditions of any General Fund cashflow loan provided pursuant
21 to this section shall be subject to approval by the Director of
22 Finance and shall be consistent with the terms and conditions of
23 the General Fund emergency apportionment issued pursuant to
24 Chapter 325 of the Statutes of 2012. The terms and conditions of
25 the General Fund cashflow loan shall include authorization for the
26 payment of costs incurred before June 15, 2013, by the California
27 Infrastructure and Economic Development Bank to implement
28 Section 10 of Chapter 325 of the Statutes of 2012. Notwithstanding
29 the interest rates specified in the terms and conditions of the
30 General Fund loan issued pursuant to Chapter 325 of the Statutes
31 of 2012, the interest on these loans shall be charged at the annual
32 rate of return of the Pooled Money Investment Account, plus an
33 additional 2 percent.

34 (c) Once a General Fund cashflow loan is approved pursuant
35 to this section, and upon the order of the Director of Finance, the
36 Controller shall draw warrants against General Fund cash to the
37 Inglewood Unified School District to provide a cashflow loan.

38 (d) Upon approval of a General Fund cashflow loan pursuant
39 to this section, a repayment schedule shall be determined by the
40 Department of Finance. If a required payment is not made within

1 60 days after a scheduled date, upon order of the Department of
2 Finance, the Controller shall pay the defaulted General Fund
3 cashflow loan repayment by withholding that amount from the
4 next available payment that would otherwise be made to the county
5 treasurer on behalf of the school district pursuant to Section 14041
6 of the Education Code.

7 (e) The Department of Finance shall notify the Legislature
8 within 15 days of authorizing a General Fund cashflow loan
9 pursuant to this section.

10 (f) A cashflow loan from the General Fund authorized by this
11 section does not constitute budgetary expenditures. A cashflow
12 loan, and the repayment of a cashflow loan, made under this section
13 shall not affect the General Fund reserve.

14 (g) Issuance of a General Fund cashflow loan authorized
15 pursuant to this section shall require the Inglewood Unified School
16 District to abide by all provisions associated with the issuance of
17 the emergency loan specified in Chapter 325 of the Statutes of
18 2012, including those cited in Article 2 (commencing with Section
19 41320) and Article 2.5 (commencing with Section 41325) of
20 Chapter 3 of Part 24 of Division 3 of Title 2 of the Education Code.

21 (h) As a condition of requesting a General Fund cashflow loan
22 pursuant to this section, the Inglewood Unified School District
23 shall repay the twenty-nine million dollar (\$29,000,000) General
24 Fund loan issued pursuant to Chapter 325 of the Statutes of 2012
25 from the proceeds of the school district’s initial request for a
26 General Fund cashflow loan.

27 ~~SEC. 58.~~

28 SEC. 57. Item 6110-001-0001 of Section 2.00 of the Budget
29 Act of 2013 is amended to read:

30		
31	6110-001-0001—For support of Department of Education.....	38,652,000
32	Schedule:	
33	(2) 20-Instructional Support.....	148,109,000
34		
35	(3) 30-Special Programs.....	69,267,000
36	(6) 42.01-Department Management and	
37	Special Services.....	34,901,000
38	(7) 42.02-Distributed Department Manage-	
39	ment and Special Services.....	-34,901,000
40	(8) Reimbursements.....	-16,104,000

- 1 (9) Amount payable from the Federal
- 2 Trust Fund (Item 6110-001-0890)..... -165,605,000
- 3
- 4 (10) Amount payable from the Mental
- 5 Health Services Fund (Item 6110-001-
- 6 3085)..... -179,000
- 7 Provisions:
- 8 1. Notwithstanding Section 33190 of the Education Code
- 9 or any other provision of law, the State Department
- 10 of Education shall expend no funds to prepare (a) a
- 11 statewide summary of pupil performance on school
- 12 district proficiency assessments or (b) a compilation
- 13 of information on private schools with five or fewer
- 14 pupils.
- 15 2. Funds appropriated in this item may be expended or
- 16 encumbered to make one or more payments under a
- 17 personal services contract of a visiting educator pur-
- 18 suant to Section 19050.8 of the Government Code, a
- 19 long-term special consultant services contract, or an
- 20 employment contract between an entity that is not a
- 21 state agency and a person who is under the direct or
- 22 daily supervision of a state agency, only if all of the
- 23 following conditions are met:
- 24 (a) The person providing service under the contract
- 25 provides full financial disclosure to the Fair Polit-
- 26 ical Practices Commission in accordance with the
- 27 rules and regulations of the Commission.
- 28 (b) The service provided under the contract does not
- 29 result in the displacement of any represented civil
- 30 service employee.
- 31 (c) The rate of compensation for salary and health
- 32 benefits for the person providing service under
- 33 the contract does not exceed by more than 10
- 34 percent the current rate of compensation for salary
- 35 and health benefits determined by the Department
- 36 of Human Resources for civil service personnel
- 37 in a comparable position. The payment of any
- 38 other compensation or any reimbursement for
- 39 travel or per diem expenses shall be in accordance
- 40 with the State Administrative Manual and the

- 1 rules and regulations of the California Victim
2 Compensation and Government Claims Board.
- 3 3. The funds appropriated in this item may not be expend-
4 ed for any REACH program.
- 5 4. The funds appropriated in this item may not be expend-
6 ed for the development or dissemination of program
7 advisories, including, but not limited to, program ad-
8 visories on the subject areas of reading, writing, and
9 mathematics, unless explicitly authorized by the State
10 Board of Education.
- 11 5. Of the funds appropriated in this item, \$206,000 shall
12 be available as matching funds for the State Depart-
13 ment of Rehabilitation to provide coordinated services
14 to disabled pupils. Expenditure of the funds shall be
15 identified in the memorandum of understanding or
16 other written agreement with the State Department of
17 Rehabilitation to ensure an appropriate match to feder-
18 al vocational rehabilitation funds.
- 19 6. Of the funds appropriated in this item, no less than
20 \$1,973,000 is available for support of child care ser-
21 vices, including state preschool.
- 22 7. By October 31 of each year, the State Department of
23 Education (SDE) shall provide to the Department of
24 Finance a file of all charter school average daily atten-
25 dance (ADA) and state and local revenue associated
26 with charter school general purpose entitlements as
27 part of the P2 Revenue Limit File. By March 1 of each
28 year, the SDE shall provide to the Department of Fi-
29 nance a file of all charter school ADA and state and
30 local revenue associated with charter school general
31 purpose entitlements as part of the P1 Revenue Limit
32 File. It is the expectation that such reports will be
33 provided annually.
- 34 8. On or before April 15 of each year, the State Depart-
35 ment of Education (SDE) shall provide to the Depart-
36 ment of Finance an electronic file that includes com-
37 plete district- and county-level state appropriations
38 limit information reported to the SDE. The SDE shall
39 make every effort to ensure that all districts have sub-

- 1 mitted the necessary information requested on the
2 relevant reporting forms.
- 3 9. The State Department of Education shall make infor-
4 mation available to the Department of Finance, the
5 Legislative Analyst’s Office, and the budget commit-
6 tees of each house of the Legislature by October 31,
7 March 31, and May 31 of each year regarding the
8 amount of Proposition 98 savings estimated to be
9 available for reversion by June 30 of that year.
- 10 10. Of the reimbursement funds appropriated in this item,
11 \$1,300,000 shall be available to the State Department
12 of Education for nutrition education and physical ac-
13 tivity promotion pursuant to an interagency agreement
14 with the State Department of State Hospitals.
- 15 11. Reimbursement expenditures pursuant to this item re-
16 sulting from the imposition by the State Department
17 of Education (SDE) of a commercial copyright fee
18 may not be expended sooner than 30 days after the
19 SDE submits to the Department of Finance a legal
20 opinion affirming the authority to impose such fees
21 and the arguments supporting that position against any
22 objections or legal challenges to the fee filed with the
23 SDE. Any funds received pursuant to imposition of a
24 commercial copyright fee may only be expended as
25 necessary for outside counsel contingent on a certifi-
26 cation of the Superintendent of Public Instruction that
27 sufficient expertise is not available within departmental
28 legal staff. The SDE shall not expend greater than
29 \$300,000 for such purposes without first notifying the
30 Department of Finance of the necessity therefor, and
31 upon receiving approval in writing.
- 32 12. Of the amount appropriated in this item, \$139,000
33 from reimbursement funds may be expended for ad-
34 ministering the Education Technology K–12 Voucher
35 Program pursuant to the Microsoft settlement.
- 36 13. Of the funds appropriated in this item, up to
37 \$1,011,000 is for dispute resolution services, including
38 mediation and fair hearing services, provided through
39 contract for special education programs.

- 1 14. Of the reimbursement funds appropriated in this item,
- 2 \$422,000 shall be available to the State Department
- 3 of Education (SDE) to contract for assistance in devel-
- 4 oping an approved listing of food and beverage items
- 5 that comply with the nutrition standards of Chapters
- 6 235 and 237 of the Statutes of 2005. In order to fund
- 7 the development and maintenance of the approved
- 8 product listing, the SDE shall collect a fee, as it deems
- 9 appropriate, from vendors seeking to have their prod-
- 10 ucts reviewed for potential placement on the approved
- 11 product listing.
- 12 15. Of the reimbursement funds appropriated in this item,
- 13 \$612,000 is provided to the State Department of Edu-
- 14 cation for the oversight of State Board of Education-
- 15 authorized charter schools. The Department of Finance
- 16 may administratively establish up to 2.0 positions for
- 17 this purpose as workload materializes.
- 18 16. Of the funds appropriated in this item, \$158,000 and
- 19 1.5 positions are provided to support new requirements
- 20 contained in Chapter 723 of the Statutes of 2011,
- 21 which strengthens antidiscrimination and antibullying
- 22 policies in schools.
- 23 17. Of the funds appropriated in this item, \$109,000 and
- 24 1.0 position is provided to support new requirements
- 25 contained in Chapter 776 of the Statutes of 2012,
- 26 which clarifies the prohibition against public schools
- 27 charging pupil fees for participation in educational
- 28 activities.
- 29 18. Of the funds appropriated in this item, \$217,000 and
- 30 2.0 positions are available for workload to implement
- 31 Chapter 577 of the Statutes of 2012, including activi-
- 32 ties necessary to revise the Academic Performance
- 33 Index.
- 34 19. Of the funds appropriated in this item, \$109,000 shall
- 35 be for 1.0 position within the State Department of
- 36 Education to support activities associated with the
- 37 Clean Energy Job Creation Fund.
- 38 20. Of the funds appropriated in this item, \$233,000 is
- 39 available in one-time funds for the Instructional
- 40 Quality Commission to support activities necessary

- 1 to meet the deadlines required pursuant to Section
2 60207 of the Education Code for development of
3 common core curriculum frameworks for mathematics
4 and English language arts.
- 5 22. Of the amount appropriated in this item, \$459,000 is
6 provided to support the Career Technical Education
7 Pathways Trust one-time grant program pursuant to
8 Chapter 48 of the Statutes of 2013 in the 2013–14
9 fiscal year. The funds appropriated in this item shall
10 support the activities authorized by Section 86 of
11 Chapter 48 of the Statutes of 2013, as follows:
- 12 (a) 3.0 limited-term 3-year positions to administer
13 and oversee the one-time California Career
14 Technical Education Pathways Trust competitive
15 grant program.
 - 16 (b) Grant application development and distribution,
17 and grantee selection.
 - 18 (c) Desk monitoring of grant recipients and technical
19 assistance.
 - 20 (d) An external data repository, data collection, and
21 outcome measures reporting.
- 22 23. Of the amount appropriated in this item, \$570,000 and
23 5.0 positions are provided to support the Local Control
24 Accountability Plan state-level activities pursuant to
25 Chapter 48 of the Statutes of 2013. These funds and
26 positions shall be used by the State Department of
27 Education to support activities including, but not lim-
28 ited to, department-wide coordination of consistent
29 Local Control Funding Formula information and its
30 dissemination, and assisting the development of regu-
31 lations and Local Control and Accountability Plan
32 templates. Of the amount appropriated in this item, up
33 to an additional seven hundred twenty-three thousand
34 dollars (\$723,000) and 6.0 positions may be expended
35 for these state-level activities by the State Department
36 of Education upon approval of an expenditure plan,
37 or plans, for those funds by the Department of Finance.
38 The Department of Finance shall notify, in writing,
39 the chairpersons of the committees in each house of
40 the Legislature that consider appropriations, the

1 chairpersons of the committees and appropriate sub-
 2 committees that consider the State Budget, and the
 3 Chairperson of the Joint Legislative Budget Commit-
 4 tee, of any expenditure plan approvals and positions
 5 established pursuant to the authority authorized in this
 6 provision.

7 24. Of the amount appropriated in this item, \$933,000 and
 8 6.0 positions are provided to support the Local Control
 9 Funding Formula administration pursuant to Chapter
 10 48 of the Statutes of 2013. These funds and positions
 11 shall be used by the State Department of Education to
 12 support the apportionment of, and fiscal oversight of,
 13 funding pursuant to the Local Control Funding Formu-
 14 la. Of the amount appropriated in this item, up to an
 15 additional four hundred seventy-nine thousand dollars
 16 (\$479,000) and 5.0 positions may be expended to
 17 support Local Control Funding Formula administration
 18 by the State Department of Education upon approval
 19 of an expenditure plan, or plans, for those funds by
 20 the Department of Finance. The Department of Finance
 21 shall notify, in writing, the chairpersons of the commit-
 22 tees in each house of the Legislature that consider ap-
 23 propriations, the chairpersons of the committees and
 24 appropriate subcommittees that consider the State
 25 Budget, and the Chairperson of the Joint Legislative
 26 Budget Committee, of any expenditure plan approvals
 27 and positions established pursuant to the authority
 28 authorized in this provision.

29
 30 *SEC. 58. Item 6110-280-0001 of Section 2.00 of the Budget*
 31 *Act of 2013 is amended to read:*

32
 33 6110-280-0001—For local assistance, Department of Education
 34 (Proposition 98), Program 20.40.800 Instructional Support
 35 - Career Technical Education..... 250,000,000

36 Provisions:

37 1. ~~The~~ *Of the* funds appropriated in this ~~item~~ *are item,*
 38 *\$249,750,000 is* available for one-time grants for the
 39 Career Technical Education Pathways Grant Program

1 pursuant to legislation to be adopted during the
2 2013–14 fiscal year.

- 3 2. *Of the funds appropriated in this item, \$250,000 is*
4 *provided on a one-time basis for an independent*
5 *evaluation of the Career Technical Education Path-*
6 *ways Grant Program. The State Department of Educa-*
7 *tion shall allocate the funding to a local educational*
8 *agency that the State Department of Education has*
9 *identified to contract for the evaluation.*

10
11 SEC. 59. For purposes of calculating the local control funding
12 formula transition adjustment pursuant to subdivision (b) of Section
13 42238.03 of the Education Code for the Torrance Unified School
14 District for the 2013–14 and 2014–15 fiscal years, the
15 Superintendent of Public Instruction shall reduce the amount of
16 entitlement for Item 6110-105-0001, as set forth in paragraph (2)
17 of subdivision (a) of Section 42238.03 of the Education Code, by
18 three million four hundred seventy-three thousand five hundred
19 seventy-four dollars (\$3,473,574). For the 2013–14 and 2014–15
20 fiscal years, the Torrance Unified School District shall continue
21 to allocate three million four hundred seventy-three thousand five
22 hundred seventy-four dollars (\$3,473,574) in accordance with
23 paragraph (5) of subdivision (a) of Section 42238.03 of the
24 Education Code.

25 SEC. 60. (a) On or before June 30, 2014, the Board of
26 Governors of the California Community Colleges is authorized to
27 increase the total General Fund apportionment allocations to be
28 made between July 1, 2013, and February 1, 2014, specified in
29 subdivisions (d) and (e) of Section 58770 of Title 5 of the
30 California Code of Regulations and authorized in subdivision (b)
31 of Section 70901 of the Education Code, by an amount to be
32 determined by the Director of Finance.

33 (b) The funds in subdivision (a) shall be increased only to the
34 extent that revenues distributed to community college districts
35 pursuant to Sections 34177, 34179.5, 34179.6, 34183, and 34188
36 of the Health and Safety Code are less than the estimated amount
37 reflected in the Budget Act of 2012, as determined by the Director
38 of Finance.

39 (c) In making the determinations pursuant to subdivision (b),
40 the Director of Finance shall consider any other local property tax

1 revenue, student fee revenue, or other sources of revenue collected
2 in excess of, or in deficit of, the estimated amount reflected in the
3 Budget Act of 2012.

4 (d) The Director of Finance shall notify the Chairperson of the
5 Joint Legislative Budget Committee, or his or her designee, of his
6 or her intent to increase the total allocations to be made between
7 July 1, 2013, and February 1, 2014, and the amount needed to
8 address the shortfall determined pursuant to subdivision (b). The
9 Controller shall make the funds available not sooner than five days
10 after this notification and the Office of the Chancellor of the
11 California Community Colleges shall work with the Controller to
12 allocate these funds to community college districts as soon as
13 practicable.

14 *SEC. 61. (a) On or before December 31, 2013, an amount to*
15 *be determined by the Director of Finance of up to, but not more*
16 *than, one hundred million dollars (\$100,000,000) is hereby*
17 *appropriated from the General Fund to the Board of Governors*
18 *of the California Community Colleges in augmentation of Schedule*
19 *(1) in Item 6870-101-0001 of Section 2.00 of the Budget Act of*
20 *2012.*

21 *(b) The funds appropriated in subdivision (a) shall be available*
22 *only to the extent that revenues distributed to community college*
23 *districts pursuant to Sections 34177, 34179.5, 34179.6, 34183,*
24 *and 34188 of the Health and Safety Code are less than the*
25 *estimated amount reflected in the Budget Act of 2012, as*
26 *determined by the Director of Finance.*

27 *(c) On or before December 31, 2013, the Director of Finance*
28 *shall determine if the revenues distributed to community college*
29 *districts pursuant to Sections 34177, 34179.5, 34179.6, 34183,*
30 *and 34188 of the Health and Safety Code exceed the estimated*
31 *amount reflected in the Budget Act of 2012, and shall reduce*
32 *Schedule (1) in Item 6870-101-0001 of Section 2.00 of the Budget*
33 *Act of 2012 by the amount of that excess.*

34 *(d) In making the determinations pursuant to subdivisions (b)*
35 *and (c), the Director of Finance shall consider any other local*
36 *property tax revenue, student fee revenue, or other sources of*
37 *revenue collected in excess of, or in deficit of, the estimated amount*
38 *reflected in the Budget Act of 2012.*

39 *(e) The Director of Finance shall notify the Chairperson of the*
40 *Joint Legislative Budget Committee, or his or her designee, of his*

1 *or her intent to notify the Controller of the necessity to release*
2 *funds appropriated in subdivision (a), or to make the reduction*
3 *pursuant to subdivision (c), and of the amount needed to address*
4 *the property tax shortfall determined pursuant to subdivision (b),*
5 *or the amount of the reduction made pursuant to subdivision (c).*
6 *The Controller shall make the funds available not sooner than five*
7 *days after this notification and the Office of the Chancellor of the*
8 *California Community Colleges shall work with the Controller to*
9 *allocate these funds to community college districts as soon as*
10 *practicable.*

11 *(f) For purposes of making the computations required by Section*
12 *8 of Article XVI of the California Constitution, the appropriations*
13 *made by subdivision (a) shall be deemed to be “General Fund*
14 *revenues appropriated for community college districts,” as defined*
15 *in subdivision (d) of Section 41202 of the Education Code, for the*
16 *2012–13 fiscal year, and included within the “total allocations to*
17 *school districts and community college districts from General*
18 *Fund proceeds of taxes appropriated pursuant to Article XIII B,”*
19 *as defined in subdivision (e) of Section 41202 of the Education*
20 *Code, for the 2012–13 fiscal year.*

21 ~~SEC. 61.~~

22 *SEC. 62.* The Legislature finds and declares that a special law,
23 as set forth in Section ~~57~~ 56 of this act, is necessary and that a
24 general law cannot be made applicable within the meaning of
25 Section 16 of Article IV of the California Constitution because of
26 the unique circumstances relating to the fiscal emergency in the
27 Inglewood Unified School District.

28 ~~SEC. 62.~~

29 *SEC. 63.* This act is a bill providing for appropriations related
30 to the Budget Bill within the meaning of subdivision (e) of Section
31 12 of Article IV of the California Constitution, has been identified
32 as related to the budget in the Budget Bill, and shall take effect
33 immediately.