

AMENDED IN SENATE JANUARY 9, 2014

AMENDED IN SENATE JANUARY 6, 2014

SENATE BILL

No. 386

Introduced by Senator Correa

February 20, 2013

An act to amend Section 2575 of the Education Code, relating to school finance.

LEGISLATIVE COUNSEL'S DIGEST

SB 386, as amended, Correa. School finance: county superintendents of schools: regional occupational centers or programs.

Existing law, for the 2013–14 and 2014–15 fiscal years only, prohibits a county superintendent of schools who, in the 2012–13 fiscal year, received funds from specified funding sources on behalf of, or provided funds to, a regional occupational center or program joint powers agency, from redirecting that funding for another purpose unless otherwise authorized by law or pursuant to an agreement between the regional occupational center or program joint powers agency and the contracting county superintendent of schools.

This bill would prohibit a county superintendent of schools who, in the 2012–13 fiscal year, received funds from specified funding sources on behalf of, or provided funds to, a regional occupational center or program consortium, from redirecting that funding for another purpose unless otherwise authorized by law or pursuant to an agreement between the members of the regional occupational center or program consortium and the county superintendent of schools. *The bill would require the calculation of the base entitlement for the county superintendent of schools and the members of the regional occupational center or program consortium to be adjusted, as specified.*

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

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

1 SECTION 1. Section 2575 of the Education Code is amended
 2 to read:
 3 2575. (a) Commencing with the 2013–14 fiscal year and for
 4 each fiscal year thereafter, the Superintendent shall calculate a
 5 base entitlement for the transition to the county local control
 6 funding formula for each county office of education based on the
 7 sum of the amounts computed pursuant to paragraphs (1) to (3),
 8 inclusive:
 9 (1) Revenue limits in the 2012–13 fiscal year pursuant to Article
 10 3 (commencing with Section 2550) of Chapter 12, as that article
 11 read on January 1, 2013, adjusted only for changes in average daily
 12 attendance claimed by the county superintendent of schools for
 13 pupils identified in clauses (i), (ii), and (iii) of subparagraph (A)
 14 of paragraph (4) of subdivision (c) of Section 2574 and for pupils
 15 attending juvenile court schools. All other average daily attendance
 16 claimed by the county superintendent of schools and any other
 17 average daily attendance used for purposes of calculating revenue
 18 limits pursuant to Article 3 (commencing with Section 2550) of
 19 Chapter 12, as that article read on January 1, 2013, shall be
 20 considered final for purposes of this section as of the annual
 21 apportionment for the 2012–13 fiscal year, as calculated for
 22 purposes of the certification required on or before February 20,
 23 2014, pursuant to Section 41332.
 24 (2) The sum of both of the following:
 25 (A) The amount of funding received from appropriations
 26 contained in Section 2.00 of the Budget Act of 2012, as adjusted
 27 by Section 12.42, in the following items: 6110-104-0001,
 28 6110-105-0001, 6110-107-0001, 6110-108-0001, 6110-111-0001,
 29 6110-124-0001, 6110-128-0001, 6110-137-0001, 6110-144-0001,
 30 6110-156-0001, 6110-181-0001, 6110-188-0001, 6110-189-0001,
 31 6110-190-0001, 6110-193-0001, 6110-195-0001, 6110-198-0001,
 32 6110-204-0001, 6110-208-0001, 6110-209-0001, 6110-211-0001,
 33 6110-212-0001, 6110-227-0001, 6110-228-0001, 6110-232-0001,
 34 6110-240-0001, 6110-242-0001, 6110-243-0001, 6110-244-0001,
 35 6110-245-0001, 6110-246-0001, 6110-247-0001, 6110-248-0001,

1 6110-260-0001, 6110-265-0001, 6110-266-0001, 6110-267-0001,
2 6110-268-0001, and 6360-101-0001, 2012–13 fiscal year funding
3 for the Class Size Reduction Program pursuant to Chapter 6.10
4 (commencing with Section 52120) of Part 28 of Division 4 of Title
5 2, as that chapter read on January 1, 2013, and 2012–13 fiscal year
6 funding for pupils enrolled in community day schools who are
7 mandatorily expelled pursuant to subdivision (d) of Section 48915.

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

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

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

17 (1) Subtract the amount computed pursuant to subdivision (a)
18 from the amount computed pursuant to subdivision (e) of Section
19 2574. A difference of less than zero shall be deemed to be zero.

20 (2) Divide the difference for each county superintendent of
21 schools calculated pursuant to paragraph (1) by the total sum of
22 the differences for all county superintendents of schools calculated
23 pursuant to paragraph (1).

24 (3) Multiply the proportion calculated for each county
25 superintendent of schools pursuant to paragraph (2) by the amount
26 of funding specifically appropriated for purposes of subdivision
27 (f). The amount calculated shall not exceed the difference for the
28 county superintendent of schools calculated pursuant to paragraph
29 (1).

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

32 (1) Local property tax revenues received pursuant to Section
33 2573 in the then current fiscal year.

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

39 (3) The amount received pursuant to subparagraph (C) of
40 paragraph (3) of subdivision (a) of Section 33607.5 of the Health

1 and Safety Code that is considered property taxes pursuant to that
2 section.

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

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

9 (d) The Superintendent shall subtract from the amount computed
10 pursuant to subdivision (e) of Section 2574 the sum of the amounts
11 computed pursuant to paragraphs (1) to (5), inclusive, of
12 subdivision (c).

13 (e) The Superintendent shall annually apportion to each county
14 superintendent of schools the amount calculated pursuant to
15 subdivision (c) unless the amount computed pursuant to subdivision
16 (c) is negative. If the amount computed is negative, except as
17 provided in subdivision (f), an amount of property tax of the county
18 superintendent of schools equal to the negative amount shall be
19 deemed restricted and not available for expenditure during the
20 fiscal year. In the following fiscal year, that amount, excluding
21 any amount of funds used for purposes of subdivision (f), shall be
22 considered restricted local property tax revenue for purposes of
23 subdivision (a) of Section 2578. State aid shall not be apportioned
24 to the county superintendent of schools pursuant to this subdivision
25 if the amount computed pursuant to subdivision (c) is negative.

26 (f) (1) The Superintendent shall apportion, from an
27 appropriation specifically made for this purpose, the amount
28 computed pursuant to subdivision (b), or, if the amount computed
29 pursuant to subdivision (c) is negative, the sum of the amounts
30 computed pursuant to subdivisions (b) and (c) if the sum is greater
31 than zero.

32 (2) The Superintendent shall apportion any portion of the
33 appropriation made for purposes of paragraph (1) that is not
34 apportioned pursuant to paragraph (1) pursuant to the following
35 calculation:

36 (A) Add the amount calculated pursuant to subdivision (b) to
37 the amount computed pursuant to subdivision (a) for a county
38 superintendent of schools.

1 (B) Subtract the amount computed pursuant to subparagraph
2 (A) from the amount computed pursuant to subdivision (e) of
3 Section 2574 for the county superintendent of schools.

4 (C) Divide the difference for the county superintendent of
5 schools computed pursuant to subparagraph (B) by the sum of the
6 differences for all county superintendents of schools computed
7 pursuant to subparagraph (B).

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

10 (E) Apportion to each county superintendent of schools the
11 amount calculated pursuant to subparagraph (D), or if subdivision
12 (c) is negative, apportion the sums of subdivisions (b) and (c) and
13 subparagraph (D) of this subdivision if the sum is greater than
14 zero.

15 (F) The Superintendent shall repeat the computation made
16 pursuant to this paragraph, accounting for any additional amounts
17 apportioned after each computation, until the appropriation made
18 for purposes of paragraph (1) is fully apportioned.

19 (G) The total amount apportioned pursuant to this subdivision
20 to a county superintendent of schools shall not exceed the
21 difference for the county superintendent of schools calculated
22 pursuant to paragraph (1) of subdivision (b).

23 (g) (1) For a county superintendent of schools for whom, in the
24 2013–14 fiscal year, the amount computed pursuant to subdivision
25 (c) is less than the amount computed pursuant to subdivision (d),
26 in the first fiscal year following the fiscal year in which the sum
27 of the apportionments computed pursuant to subdivisions (e) and
28 (f) is equal to, or greater than, the amount computed pursuant to
29 subdivision (d) of this section, the Superintendent shall apportion
30 to the county superintendent of schools the amount computed in
31 subdivision (d) in that fiscal year and each fiscal year thereafter
32 instead of the amounts computed pursuant to subdivisions (e) and
33 (f).

34 (2) For a county superintendent of schools for whom, in the
35 2013–14 fiscal year, the amount computed pursuant to subdivision
36 (c) is greater than the amount computed pursuant to subdivision
37 (d), in the first fiscal year in which the amount computed pursuant
38 to subdivision (c) would be less than the amount computed pursuant
39 to subdivision (d), the Superintendent shall apportion to the county
40 superintendent of schools the amount computed in subdivision (d)

1 in that fiscal year and each fiscal year thereafter instead of the
2 amounts computed pursuant to subdivisions (e) and (f).

3 (3) In each fiscal year, the Superintendent shall determine the
4 percentage of county superintendents of schools that are
5 apportioned funding that is less than the amount computed pursuant
6 to subdivision (d), as of the second principal apportionment of the
7 fiscal year. If the percentage is less than 10 percent, the
8 Superintendent shall apportion to those county superintendents of
9 schools funding equal to the amount computed in subdivision (d)
10 in that fiscal year and for each fiscal year thereafter instead of the
11 amounts calculated pursuant to subdivisions (e) and (f).

12 (4) Commencing with the first fiscal year after the
13 apportionments in paragraph (3) are made, the adjustments in
14 paragraph (4) of subdivision (a) of Section 2574 and subparagraph
15 (B) of paragraph (1) of subdivision (c) of Section 2574 shall be
16 made only if an appropriation for those purposes is included in the
17 annual Budget Act.

18 (5) If the calculation pursuant to subdivision (d) is negative and
19 the Superintendent apportions to a county superintendent of schools
20 the amount computed pursuant to subdivision (d) pursuant to
21 paragraph (1), (2), or (3) of this subdivision, an amount of property
22 tax of the county superintendent of schools equal to the negative
23 amount shall be deemed restricted and not available for expenditure
24 during that fiscal year. In the following fiscal year the restricted
25 amount shall be considered restricted local property tax revenue
26 for purposes of subdivision (a) of Section 2578.

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

32 (i) (1) For the 2013–14 and 2014–15 fiscal years only, a county
33 superintendent of schools who, in the 2012–13 fiscal year, from
34 any of the funding sources identified in paragraph (1) or (2) of
35 subdivision (a), received funds on behalf of, or provided funds to,
36 a regional occupational center or program joint powers agency
37 established in accordance with Article 1 (commencing with Section
38 6500) of Chapter 5 of Division 7 of Title 1 of the Government
39 Code for purposes of providing instruction to pupils enrolled in
40 grades 9 to 12, inclusive, shall not redirect that funding for another

1 purpose unless otherwise authorized by law or pursuant to an
2 agreement between the regional occupational center or program
3 joint powers agency and the contracting county superintendent of
4 schools.

5 (2) For the 2013–14 and 2014–15 fiscal years only, if a regional
6 occupational center or program joint powers agency established
7 in accordance with Article 1 (commencing with Section 6500) of
8 Chapter 5 of Division 7 of Title 1 of the Government Code for
9 purposes of providing instruction to pupils enrolled in grades 9 to
10 12, inclusive, received, in the 2012–13 fiscal year, an
11 apportionment of funds directly from any of the funding sources
12 identified in subparagraph (A) of paragraph (2) of subdivision (a),
13 the Superintendent shall apportion that same amount to the regional
14 occupational center or program joint powers agency.

15 (3) A county superintendent of schools who, in the 2012–13
16 fiscal year, from any of the funding sources identified in paragraph
17 (1) or (2) of subdivision (a), received funds on behalf of, or
18 provided funds to, a regional occupational center or program
19 consortium shall not redirect that funding for another purpose
20 unless otherwise authorized by law or pursuant to an agreement
21 between the members of the regional occupational center or
22 program consortium and the county superintendent of schools. *An*
23 *amount equal to the amount of funds transferred to members of a*
24 *regional occupational center or program consortium by the county*
25 *superintendent of schools pursuant to this paragraph shall be*
26 *excluded from the calculation of the base entitlement pursuant to*
27 *subdivision (a). An amount equal to the amount of funds received*
28 *by a member of a regional occupational center or program*
29 *consortium from the county superintendent of schools pursuant to*
30 *this paragraph shall be included in the calculation of the receiving*
31 *member's base entitlement pursuant to subdivision (a) of Section*
32 *42238.03.*

33 (j) For the 2013–14 and 2014–15 fiscal years only, a county
34 superintendent of schools who, in the 2012–13 fiscal year, from
35 any of the funding sources identified in paragraph (1) or (2) of
36 subdivision (a), received funds on behalf of, or provided funds to,
37 a home-to-school transportation joint powers agency established
38 in accordance with Article 1 (commencing with Section 6500) of
39 Chapter 5 of Division 7 of Title 1 of the Government Code for
40 purposes of providing pupil transportation shall not redirect that

1 funding for another purpose unless otherwise authorized by law
2 or pursuant to an agreement between the home-to-school
3 transportation joint powers agency and the contracting county
4 superintendent of schools.

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

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

27 (3) For the 2013–14 and 2014–15 fiscal years only, of the funds
28 a county superintendent of schools receives for purposes of regional
29 occupational centers or programs, or adult education, the county
30 superintendent of schools shall expend no less for each of those
31 programs than the amount of funds the county superintendent of
32 schools expended for purposes of regional occupational centers
33 or programs, or adult education, respectively, in the 2012–13 fiscal
34 year. For purposes of this paragraph, a county office of education
35 may include expenditures made by a school district within the
36 county for purposes of regional occupational centers or programs
37 so long as the total amount of expenditures made by the school
38 districts and the county office of education equal or exceed the
39 total amount required to be expended for purposes of regional

1 occupational centers or programs pursuant to this paragraph and
2 paragraph (7) of subdivision (a) of Section 42238.03.
3 (l) The funds apportioned pursuant to this section and Section
4 2574 shall be available to implement the activities required
5 pursuant to Article 4.5 (commencing with Section 52060) of
6 Chapter 6.1 of Part 28 of Division 4 of Title 2.

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