
Introduced by Senator O’Connell

February 26, 1999

An act to amend Section 41204 of the Education Code, relating to school finance.

LEGISLATIVE COUNSEL’S DIGEST

SB 998, as introduced, O’Connell. School Finance.

Existing law provides that enrollment, average daily attendance, or average daily attendance equivalents used for the purpose of calculating “increases in enrollment” pursuant to Section 8 of Article XVI of the California Constitution shall not be redefined, adjusted, or otherwise recalculated unless the appropriate action is taken to neutralize the effect of the change with respect to the adjustment required to be made for increases in enrollment.

This bill would delete the term “increases in enrollment” in this provision, and replace it with the term “changes in enrollment,” which is consistent with the terminology in Section 8 of Article XVI of the California Constitution.

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

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

- 1 SECTION 1. Section 41204 of the Education Code is
2 amended to read:
3 41204. (a) It is the intent of the Legislature, pursuant
4 to “The Classroom Instructional Improvement and
5 Accountability Act,” that school districts, as defined in

1 Section 41302.5, and community college districts, as
2 constituted during *the* 1986–87 fiscal year, annually
3 receive a basic minimum portion of the revenues that is
4 equivalent to the percentage of revenues that were
5 deposited to the General Fund in that year.

6 (b) In recognition of this intent, it is further the intent
7 of the Legislature that both houses and the Governor be
8 guided by the following:

9 (1) If the revenues of a tax that were deposited in the
10 General Fund in the 1986–87 fiscal year are redirected to
11 another fund, or level of government, then the
12 percentages of General Fund revenues required to be
13 applied by the state for the support of school districts,
14 community college districts, and state agencies providing
15 direct elementary and secondary level instructional
16 services shall be recalculated as if those revenues were
17 not deposited in the General Fund in the 1986–87 fiscal
18 year.

19 (2) If the allocated local proceeds of taxes, as defined
20 by subdivisions (g) and (h) of Section 41202, received by
21 a school district or community college district during the
22 1986–87 fiscal year are redirected to other entities or
23 statutorily or constitutionally reduced or eliminated, the
24 additional General Fund support provided to replace the
25 allocated local proceeds of taxes may not be counted as
26 General Fund revenues required to be applied for the
27 support of school districts, community college districts,
28 and state agencies providing direct elementary and
29 secondary level instructional services pursuant to
30 paragraph (1) of subdivision (b) of Section 8 of Article
31 XVI of the California Constitution, unless the percentage
32 of General Fund revenues appropriated to school
33 districts, community college districts, and state agencies
34 providing direct elementary and secondary level
35 instructional services in the 1986–87 fiscal year is adjusted
36 to reflect the amount of General Fund support that would
37 have been provided in the 1986–87 fiscal year had the
38 allocated local proceeds of taxes been correspondingly
39 reduced.



1 (3) If a program of a school district, as defined in
2 Section 41302.5, or of a community college district was
3 supported by state funds from a source other than the
4 General Fund during the 1986–87 fiscal year and General
5 Fund moneys are subsequently provided in support of the
6 program and in lieu of the other source of funds, the
7 supplanting General Fund revenues shall not be counted
8 as ~~moneys~~ *moneys* to be applied by the state for the
9 support of school districts or community college districts
10 pursuant to subdivision (b) of Section 8 of Article XVI of
11 the California Constitution.

12 (c) Programs that existed in the 1986–87 fiscal year,
13 and were not the functional responsibility of school
14 districts or community college districts in that fiscal year,
15 shall not be shifted to the responsibility or financial
16 support of school districts or community college districts
17 without appropriate corresponding adjustment to the
18 calculations made pursuant to subdivision (b) of Section
19 8 of Article XVI of the California Constitution. Nothing in
20 this subdivision shall be construed to prevent the creation
21 of a new educational program that is supported by a
22 General Fund appropriation made in conformity with
23 subdivision (b) of Section 8 of Article XVI of the
24 California Constitution.

25 (d) Enrollment, average daily attendance, or average
26 daily attendance equivalents used for the purpose of
27 calculating “~~increases~~ *changes* in enrollment” pursuant
28 to paragraph (2) of subdivision (b) of Section 8 of Article
29 XVI of the California Constitution shall not be redefined,
30 adjusted, or otherwise recalculated unless the
31 appropriate action is taken to neutralize the effect of the
32 change with respect to the adjustment required to be
33 made for ~~increases~~ *changes* in enrollment.

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