

AMENDED IN SENATE JULY 20, 2001

AMENDED IN ASSEMBLY MAY 23, 2001

CALIFORNIA LEGISLATURE—2001–02 REGULAR SESSION

**ASSEMBLY BILL**

**No. 441**

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Introduced by ~~Committee on Budget (Cardenas (Chair), Aroner, Cardoza, Cedillo, Dutra, Firebaugh, Horton, Keeley, Nakano, Oropeza, Pavley, Simitian, Steinberg, Vargas, and Wright)~~  
*Assembly Member Simitian*

(Coauthors: Assembly Members Alquist, Ashburn, Bates, Bogh, Briggs, Bill Campbell, John Campbell, Canciamilla, Cedillo, Chan, Cohn, Corbett, Correa, Cox, Daucher, Dickerson, Dutra, Frommer, Goldberg, Keeley, Leach, Lowenthal, Maddox, Nakano, Nation, Robert Pacheco, Rod Pacheco, Papan, Pescetti, Reyes, Runner, Shelley, Strickland, Strom-Martin, Thomson, Vargas, Washington, Wayne, Wiggins, Wyland and Zettel)

(Coauthors: Senators Alpert, Battin, Chesbro, Costa, Figueroa, Haynes, Karnette, Machado, Margett, McPherson, O'Connell, Oller, Scott, Sher, Speier, Torlakson, and Vincent)

February 20, 2001

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~~An act relating to the realignment of funding of state and local health programs.~~ *An act to add Section 42238.44 to the Education Code, relating to school finance, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.*

LEGISLATIVE COUNSEL'S DIGEST

AB 441, as amended, ~~Committee on Budget Simitian.~~ *State and local health program funding School finance: revenue limits.*



Existing law requires each county superintendent of schools to make specified calculations to determine a base revenue limit for each school district in the county.

This bill would, for the 2001–02 fiscal year, require the Superintendent of Public Instruction to compute an equalization adjustment for each school district so that no district’s prior year base revenue limit per unit of average daily attendance is less than the prior year base revenue limit per unit of average daily attendance above which fall not more than 10% of the total statewide units of average daily attendance for the appropriate size and type of district.

This bill would appropriate \$40,000,000 from the General Fund to the Superintendent of Public Instruction for the purpose of implementing the equalization adjustment. The bill would require the appropriation to be included in the amount appropriated by the state in the 2001–02 fiscal year for the purpose of meeting the state’s minimum funding obligation to school districts and community college districts under Section 8 of Article XVI of the California Constitution for that fiscal year.

The bill would declare that it is to take effect immediately as an urgency statute.

~~Existing law establishes and regulates various public health programs.~~

~~This bill would state the intent of the Legislature to make the necessary statutory changes to implement the Budget Act of 2001 relative to the funding of the realignment of state and local health programs.~~

Vote: ~~majority~~ <sup>2/3</sup>. Appropriation: ~~no~~ yes. Fiscal committee: ~~no~~ yes. State-mandated local program: no.

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

1     ~~SECTION 1.—It is the intent of the Legislature in enacting this~~  
 2     ~~act to make the necessary statutory changes to implement the~~  
 3     ~~Budget Act of 2001 relative to the funding of the realignment of~~  
 4     ~~state and local health programs.~~

5     SECTION 1. *It is the intent of the Legislature, in enacting this*  
 6     *act, to the extent that funding is available, to equalize revenue*  
 7     *limits for school districts, as prescribed by Section 42238.44 of the*  
 8     *Education Code, by the 2006–07 fiscal year, by enacting the*  
 9     *Fairness in Education Funding Act.*



1 SEC. 2. Section 42238.44 is added to the Education Code, to  
2 read:

3 42238.44. (a) This section shall be known and may be cited  
4 as, the Fairness in Education Funding Act.

5 (b) (1) For the 2001–02 fiscal year, the Superintendent of  
6 Public Instruction shall compute an equalization adjustment for  
7 each school district, so that no district’s 2000–01 base revenue  
8 limit per unit of average daily attendance is less than the 2000–01  
9 base revenue limit per unit of average daily attendance above  
10 which fall not more than 10 percent of the total statewide units of  
11 average daily attendance for each category of school district set  
12 forth in subdivision (c).

13 (2) For purposes of this section, the district base revenue limit  
14 and the statewide average base revenue limit shall not include any  
15 amounts attributable to Section 45023.4, 46200, or 46201.

16 (c) Subdivision (b) shall apply to the following school districts,  
17 which shall be grouped according to size and type as follows:

18 District	ADA
19 Elementary .....	less than 101
20 Elementary .....	more than 100
21 High School .....	less than 301
22 High School .....	more than 300
23 Unified .....	less than 1,501
24 Unified .....	more than 1,500

25  
26 (d) The Superintendent of Public Instruction shall compute a  
27 revenue limit equalization adjustment for each school district’s  
28 base revenue limit per unit of average daily attendance as follows:

29 (1) Multiply the amount computed for each school district  
30 pursuant to subdivision (b) by the average daily attendance used  
31 to calculate the district’s revenue limit for the current fiscal year.

32 (2) Divide the amount appropriated for purposes of this section  
33 for the then current fiscal year by the statewide sum of the amount  
34 computed pursuant to paragraph (1).

35 (3) Multiply the amount computed for the school district  
36 pursuant to paragraph (1) of subdivision (b) by the amount  
37 computed pursuant to paragraph (2).

38 (e) (1) For the purposes of this section, the 2000–01 statewide  
39 90th percentile base revenue limit determined pursuant to  
40



1 paragraph (1) of subdivision (b), and the fraction computed  
2 pursuant to paragraph (2) of subdivision (d) for the 2000–01  
3 second principal apportionment, shall be final, and shall not be  
4 recalculated at subsequent apportionments. The fraction  
5 computed pursuant to paragraph (2) of subdivision (d) shall not,  
6 under any circumstances, exceed 1.00. For purposes of  
7 determining the size of a school district pursuant to subdivision  
8 (c), county superintendents of schools, in conjunction with the  
9 Superintendent of Public Instruction, shall use school district  
10 revenue limit average daily attendance for the prior fiscal year as  
11 determined pursuant to Section 42238.5 and Article 4  
12 (commencing with Section 42280).

13 (2) For the purposes of calculating the size of a school district  
14 pursuant to subdivision (c), the Superintendent of Public  
15 Instruction shall include units of average daily attendance of any  
16 charter school for which the school district is the chartering  
17 agency.

18 (3) For the purposes of computing the target amounts pursuant  
19 to subdivision (d), the Superintendent of Public Instruction shall  
20 count all charter school average daily attendance toward the  
21 average daily attendance of the school district that is the  
22 chartering agency.

23 SEC. 3. If the appropriation in the 2001–02 fiscal year for  
24 purposes of Section 42238.44 of the Education Code is insufficient  
25 to provide funding equal to the amount computed pursuant to  
26 Section 42238.44 of the Education Code, the amount appropriated  
27 shall be allocated to school districts on a pro rata basis.

28 SEC. 4. (a) The amount of forty million dollars  
29 (\$40,000,000) is hereby appropriated from the General Fund to  
30 the Superintendent of Public Instruction for the purposes of  
31 Section 42238.44 of the Education Code, to be allocated to school  
32 districts on a pro rata basis.

33 (b) For purposes of making the computations required by  
34 Section 8 of Article XVI of the California Constitution, the  
35 appropriation made by this section shall be deemed to be “General  
36 Fund revenues appropriated to school districts,” as defined in  
37 subdivision (c) of Section 41202 of the Education Code for the  
38 2001–02 fiscal year and be included within the “total allocations  
39 to school districts and community college districts from General  
40 Fund proceeds of taxes appropriated pursuant to Article XVII B,”



1 *as defined in subdivision (e) of Section 41202 of the Education*  
2 *Code for the 2001–02 fiscal year.*

3 *SEC. 5. This act is an urgency statute necessary for the*  
4 *immediate preservation of the public peace, health, or safety*  
5 *within the meaning of Article IV of the Constitution and shall go*  
6 *into immediate effect. The facts constituting the necessity are:*

7 *In order to make the necessary statutory changes to implement*  
8 *the Budget Act of 2001 at the earliest possible time, it is necessary*  
9 *that this act take effect immediately.*

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11 CORRECTIONS

12 **Heading — Coauthors Line 5.**

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