

Assembly Bill No. 1781

CHAPTER 802

An act to amend Sections 60240, 60242, 60242.5, and 60248 of, to amend and repeal Sections 60246, 60247, and 60252 of, to add Sections 60246.5 and 60247.5 to, to add and repeal Chapter 3.25 (commencing with Section 60420) of Part 33 of, and to repeal Sections 18200 and 18201 of, the Education Code, relating to instructional materials.

[Approved by Governor September 22, 2002. Filed with Secretary of State September 23, 2002.]

LEGISLATIVE COUNSEL'S DIGEST

AB 1781, Hertzberg. Instructional materials: funding.

(1) Existing law establishes the California Classroom Library Materials Act of 1999 to provide state funding for classroom library materials and establish the Business Organizations and Opportunities for Kids Fund for the donation of moneys by private entities for classroom reading materials.

This bill would repeal certain provisions in the California Classroom Library Materials Act of 1999 regarding state funding.

(2) Existing law provides for the State Instructional Materials Fund as a means of annually funding the acquisition of instructional materials. Existing law requires the State Board of Education to encumber the fund for the purpose of establishing an allowance for the governing board of each school district, which may reflect increases or decreases in average daily attendance, that the district board may use for instructional materials, tests, textbooks, and in-service training.

This bill would additionally authorize a school district to use the funding to purchase library materials and classroom library materials on the condition that the school district develop a districtwide classroom library plan, as specified. The bill would authorize the allowances to reflect increases or decreases in enrollment instead of average daily attendance.

(3) Existing law requires the Controller, during each fiscal year, to transfer from the General Fund to the State Instructional Materials Fund, a specified amount per pupil average daily attendance in the public elementary schools during the preceding fiscal year, as provided, and requires the superintendent to annually apportion to each school district \$14.41 per pupil enrolled in grades 9 to 12, inclusive, in the school district in the prior fiscal year for the purpose of purchasing instructional materials.

This bill would make those funding provisions inoperative on January 1, 2003, and would provide for their repeal on January 1, 2007.

(4) Existing law provides for the Pupil Textbook and Instructional Materials Incentive Account in the State Instructional Materials Fund to ensure availability of textbooks and instructional materials.

This bill would make those provisions relating to the account inoperative on January 1, 2003, and would provide for their repeal on January 1, 2007.

(5) This bill would establish the Instructional Materials Funding Realignment Program to provide funding for instructional materials to school districts on the basis of an equal amount per pupil enrolled in public elementary and high schools, as specified.

This bill would authorize the State Board of Education to permit a school district to use any state instructional materials allowances to purchase standards-aligned materials, as specified.

The bill would require a local governing board to use funding received pursuant to the program to ensure that each pupil is provided with a standards-aligned textbook or basic instructional materials, as adopted by the state board or the local governing board, as specified. The bill would provide that if any funds received pursuant to the program remain after providing each pupil with a standards-aligned textbook or basic instructional materials in core curriculum areas, and if the local governing board has met certain eligibility requirements, the remaining funds may only be used for instructional materials, as specified. The bill would permit the State Board of Education to grant additional time to the school district to meet the purchasing requirements if the governing board of the school district meets specific criteria.

The bill would provide that specified funds appropriated in the Budget Act of 2002 shall be used for purposes of the program. Under the bill, the program would become inoperative on June 30, 2007, and would be repealed as of January 1, 2008.

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

SECTION 1. Section 18200 of the Education Code is repealed.

SEC. 2. Section 18201 of the Education Code is repealed.

SEC. 3. Section 60240 of the Education Code is amended to read:

60240. (a) The State Instructional Materials Fund is hereby continued in existence in the State Treasury. The fund shall be a means of annually funding the acquisition of instructional materials as required by the Constitution of the State of California. Notwithstanding Section 13340 of the Government Code, all money in the fund is continuously appropriated to the State Department of Education without regard to



fiscal years for carrying out the purposes of this part. It is the intent of the Legislature that the fund shall provide for flexibility of instructional materials, including classroom library materials.

(b) The State Department of Education shall administer the fund under policies established by the state board.

(c) (1) The state board shall encumber part of the fund to pay for accessible instructional materials pursuant to Sections 60312 and 60313 to accommodate pupils who are visually impaired or have other disabilities and are unable to access the general curriculum.

(2) The state board may encumber funds, in an amount not to exceed two hundred thousand dollars (\$200,000), for replacement of instructional materials, obtained by a school district with its allowance that are lost or destroyed by reason of fire, theft, natural disaster, or vandalism.

(3) The state board may encumber funds for the costs of warehousing and transporting instructional materials it has acquired.

SEC. 4. Section 60242 of the Education Code is amended to read:

60242. (a) The state board shall encumber the fund for the purpose of establishing an allowance for each school district, which may reflect increases or decreases in enrollment, that the district may use for the following purposes:

(1) To purchase instructional materials adopted by the state board pursuant to Section 60200 for kindergarten and grades 1 to 8, inclusive, or by the governing board pursuant to Section 60400 for grades 9 to 12, inclusive.

(2) To purchase, at the district's discretion, instructional materials, including, but not limited to, supplementary instructional materials and technology-based materials, from any source.

(3) To purchase tests.

(4) To bind basic textbooks that are otherwise usable and are on the most recent list of basic instructional materials adopted by the state board and made available pursuant to Section 60200.

(5) To fund in-service training related to instructional materials.

(6) To purchase classroom library materials for kindergarten and grades 1 to 4, inclusive.

(b) The state board shall specify the percentage of a district's allowance that is authorized to be used for each of the purposes identified in subdivision (a).

(c) Allowances established for school districts pursuant to this section shall be apportioned in September of each fiscal year.

(d) (1) A school district that purchases classroom library materials, shall, as a condition of receiving funding under this article, develop a districtwide classroom library plan for kindergarten and grades 1 to 4,



inclusive, and shall receive certification of the plan from the governing board of the school district. A school district shall include in the plan a means of preventing loss, damage, or destruction of the materials.

(2) In developing the plan required by paragraph (1), a school district is encouraged to consult with school library media teachers and primary grade teachers and to consider selections included in the list of recommended books established pursuant to Section 19336. If a school library media teacher is not employed by the school district, the district is encouraged to consult with a school library media teacher employed by the local county office of education in developing the plan. A charter school may apply for funding on its own behalf or through its chartering entity. Notwithstanding Section 47610, a charter school applying on its own behalf is required to develop and certify approval of a classroom library plan.

(3) To the extent that a school district, county office of education, or charter school already has a plan meeting the criteria specified in paragraphs (1) and (2), no new plan is required to establish eligibility.

SEC. 5. Section 60242.5 of the Education Code is amended to read:

60242.5. Allowances received by districts pursuant to subdivisions (a) and (b) of Section 60242 shall be deposited into a separate account as specified by the Superintendent of Public Instruction. These allowances, including any interest generated by them, shall be used only for the purchase of instructional materials, tests, classroom library materials, or in-service training pursuant to subdivisions (a) and (b) of Section 60242. Interest posted to the account shall be based upon reasonable estimates of monthly balances in the account and the average rate of interest earned by other funds of the district.

All purchases of instructional materials made with funds from this account shall conform to law and the applicable rules and regulations adopted by the state board, and the district superintendent shall provide written assurance of conformance to the Superintendent of Public Instruction. The Superintendent of Public Instruction may withhold the allowance established pursuant to Section 60242 for any district which has failed to file a written assurance for the prior fiscal year. The Superintendent of Public Instruction may restore the amount withheld once the district provides the written assurance.

The Controller, in cooperation with the State Department of Education, shall include procedures to review compliance with this section in its independent audit instructions.

SEC. 6. Section 60246 of the Education Code is amended to read:

60246. (a) The Controller shall, during each fiscal year, commencing with the 1983–84 fiscal year, transfer from the General Fund of the state to the State Instructional Materials Fund, an amount of



twenty-one dollars and eighteen cents (\$21.18) per pupil in the average daily attendance in the public elementary schools during the preceding fiscal year, as certified by the Superintendent of Public Instruction, except that this amount shall be adjusted annually, through and including fiscal year 1987–88, in conformance with the Consumer Price Index, all items, of the Bureau of Labor Statistics of the United States Department of Labor, measured for the calendar year next preceding the fiscal year to which it applies. Commencing with the 1990–91 fiscal year, the amount shall be adjusted annually by an amount equal to the percentage change determined pursuant to subdivision (b) of Section 42238.1.

(b) The amount transferred pursuant to subdivision (a) includes the designated percentage of the cash entitlements to be used to pay for unadopted state materials, tests, and in-service training.

(c) This section shall become inoperative on January 1, 2003, and, as of January 1, 2007, is repealed, unless a later enacted statute, that becomes operative on or before January 1, 2007, deletes or extends the dates on which it becomes inoperative and is repealed.

SEC. 7. Section 60246.5 is added to the Education Code, to read:

60246.5. (a) The Controller shall, during each fiscal year, commencing with the 2002–03 fiscal year, transfer from the General Fund to the State Instructional Materials Fund for instructional materials for kindergarten and grades 1 to 8, inclusive, the amount to be allocated pursuant to Section 60421.

(b) The amount transferred pursuant to subdivision (a) includes the designated percentage of the cash entitlements to be used to pay for unadopted state materials, tests, classroom library materials, and in-service training.

SEC. 8. Section 60247 of the Education Code is amended to read:

60247. (a) The Superintendent of Public Instruction shall annually apportion to each school district the sum of fourteen dollars and forty-one cents (\$14.41) per pupil enrolled in grades 9 to 12, inclusive, in the school district in the prior fiscal year for the purpose of purchasing instructional materials for the pupils enrolled in those grades.

(b) This section shall become inoperative on January 1, 2003, and, as of January 1, 2007, is repealed, unless a later enacted statute, that becomes operative on or before January 1, 2007, deletes or extends the dates on which it becomes inoperative and is repealed.

SEC. 9. Section 60247.5 is added to the Education Code, to read:

60247.5. The Controller shall, during each fiscal year, commencing with the 2002–03 fiscal year, transfer from the General Fund to the State Instructional Materials Fund for instructional materials for grades 9 to 12, inclusive, the amount to be allocated pursuant to Section 60421.

SEC. 10. Section 60248 of the Education Code is amended to read:



60248. The governing board of a school district shall use the funds apportioned pursuant to Sections 60247 and 60247.5 solely for the purchase of instructional materials for pupils in grades 9 to 12, inclusive. Textbooks purchased with these funds shall be adopted in accordance with Section 60400.

SEC. 11. Section 60252 of the Education Code is amended to read:

60252. (a) The Pupil Textbook and Instructional Materials Incentive Account is hereby created in the State Instructional Materials Fund, to be used for the Pupil Textbook and Instructional Materials Incentive Program set forth in Article 7 (commencing with Section 60117) of Chapter 1. All money in the account shall be allocated by the Superintendent of Public Instruction to school districts maintaining any kindergarten or any of grades 1 to 12, inclusive, that satisfy each of the following criteria:

(1) A school district shall provide assurance to the Superintendent of Public Instruction that the district has complied with Section 60119.

(2) A school district shall ensure that the money will be used to carry out its compliance with Section 60119 and shall supplement any state and local money that is expended on textbooks or instructional materials, or both.

(b) The superintendent shall ensure that each school district has an opportunity for funding per pupil based upon the district's prior year base revenue limit in relation to the prior year statewide average base revenue limit for similar types and sizes of districts. Districts below the statewide average shall receive a greater percentage of state funds, and districts above the statewide average shall receive a smaller percentage of state funds, in an amount equal to the percentage that the district's base revenue limit varies from the statewide average. Any district with a base revenue limit that equals or exceeds 200 percent of the statewide average shall not be eligible for state funding under this section.

(c) This section shall become inoperative on January 1, 2003, and, as of January 1, 2007, is repealed, unless a later enacted statute that becomes operative on or before January 1, 2007, deletes or extends the dates on which it becomes inoperative and is repealed.

SEC. 12. Chapter 3.25 (commencing with Section 60420) is added to Part 33 of the Education Code, to read:

CHAPTER 3.25. INSTRUCTIONAL MATERIALS FUNDING REALIGNMENT PROGRAM

60420. The Instructional Materials Funding Realignment Program is hereby established and shall be administered by the Superintendent of Public Instruction.



60421. (a) The State Department of Education shall apportion funds appropriated for purposes of this chapter to school districts on the basis of an equal amount per pupil enrolled in kindergarten and grades 1 to 12, inclusive, in the prior year, excluding summer school, adult, and regional occupational center and regional occupational programs enrollment. Enrollment shall be certified by the Superintendent of Public Instruction and based on data as reported by the California Basic Education Data System count. A school district or charter school in its first year of operation or of expanding grade levels at a schoolsite shall be eligible to receive funding pursuant to this chapter based on enrollment estimates provided to the State Department of Education by the school district or charter school. As a condition of receipt of funding, a school district or charter school in its first year of operation or of expanding grade levels at a schoolsite shall provide enrollment estimates, as approved by the school district governing board or charter school's charter-granting local educational agency and the county office of education in which the school district or charter school's charter-granting agency is located. These estimates and associated funding shall be adjusted for actual enrollment as reported by the subsequent California Basic Education Data System.

(b) For the purposes of this chapter, the term "school district" means a school district, county office of education, or charter school, and the term "local governing board" means the governing board of a school district, county board of education, or governing body of a charter school.

(c) Allowances established pursuant to this chapter shall be apportioned to school districts in September of each fiscal year.

(d) Notwithstanding any other provision of law, pursuant to subdivision (g) of Section 60200, the State Board of Education may authorize a school district to use any state basic instructional materials allowance to purchase standards-aligned materials as specified within this part.

60422. (a) A local governing board shall use funding received pursuant to this chapter to ensure that each pupil is provided with a standards-aligned textbook or basic instructional materials, as adopted by the State Board of Education subsequent to the adoption of content standards pursuant to Section 60605 for kindergarten and grades 1 to 8, inclusive, or as adopted by the local governing board pursuant to Sections 60400 and 60411, for grades 9 to 12, inclusive. Pupils shall be provided with standards-aligned textbooks or basic instructional materials by the beginning of the first school term that commences no later than 24 months after those materials were adopted by the State Board of Education.



(b) Once a governing board certifies compliance with subdivision (a) with regard to standards-aligned instructional materials in the core curriculum areas of reading/language arts, mathematics, science, and history/social sciences, and if the governing board of a school district has met the eligibility requirements of Section 60119, the remaining funds may only be used consistent with subdivision (a) of Section 60242 and pursuant to Section 60242.5.

(c) The State Board of Education may grant the school district additional time to meet the purchasing requirements of subdivision (a) if the governing board of the school district demonstrates, to the satisfaction of the state board, that all of the following criteria apply to the district:

(1) The school district has implemented a well-designed, standards-aligned basic instructional materials program.

(2) The school district, at the time of its request for additional time pursuant to this subdivision, has sufficient textbooks or basic instructional materials for use by each pupil.

(3) The school district has adopted a plan for the purchase of standards-aligned instructional materials in accordance with subdivision (a) but that plan indicated an alternative date for compliance that is declared in the request for additional time.

(d) The funds provided for the purchase of instructional materials in Schedules 1 and 2 of Item 6110-189-0001 and paragraph 6 of Item 6110-485 of Section 2.00 of the Budget Act of 2002 shall be used for the purposes of, and allocated consistent with, this chapter.

60424. This chapter shall be administered for purposes of funding as if it had been in effect at the beginning of the 2002–03 fiscal year. This chapter shall become inoperative on July 1, 2007, and, as of January 1, 2008, is repealed, unless a later enacted statute, that becomes operative on or before January 1, 2008, deletes or extends the dates on which it becomes operative and is repealed.

SEC. 13. It is the intent of the Legislature to appropriate in the annual Budget Act or other measure, in each of the fiscal years from 2003–04 to 2006–07, inclusive, subject to the availability of funds, the following amounts from the General Fund to the Superintendent of Public Instruction for allocation to school districts for use pursuant to Chapter 3.25 (commencing with Section 60420) of Part 33 of the Education Code:

(a) Three hundred fifty million dollars (\$350,000,000) for the 2003–04 fiscal year.

(b) Four hundred fifty million dollars (\$450,000,000) for the 2004–05 fiscal year.



- (c) Five hundred fifty million dollars (\$550,000,000) for the 2005–06 fiscal year.
- (d) Six hundred million dollars (\$600,000,000) for the 2006–07 fiscal year.

