

AMENDED IN SENATE MAY 8, 2001
AMENDED IN SENATE APRIL 25, 2001

SENATE BILL

No. 982

Introduced by Senators O'Connell and Sher

February 23, 2001

An act to add Sections 56836.156 and 56836.157 to the Education Code, relating to special education, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 982, as amended, O'Connell. ~~Special Education~~ *education*.

Existing law requires, if the Commission on State Mandates determines that an act contains costs mandated by the state, that reimbursement to local agencies and school districts for those costs be made, as specified.

Under existing law, every individual with exceptional needs, who is eligible to receive educational instruction, related services, or both, is required to receive educational instruction, services, or both, at no cost to his or her parents or, as appropriate, to him or her.

This bill would require the Superintendent of Public Instruction to perform specified computations with respect to special education local planning areas and affected pupils and to permanently increase the amount per unit of average daily attendance for those areas. The bill would also state that, commencing with the 2001-02 fiscal year, to the 2010-11 fiscal year, \$25,000,000 shall be appropriated, on a one-time basis each fiscal year, for allocation to school districts pursuant to a prescribed calculation.

The bill would appropriate \$100,000,000 in augmentation of Item 6110-161-0001 of *Section 2.00* of the 2001–02 Budget Act for the purposes of the actions taken by the superintendent, as stated above. The bill would appropriate \$270,000,000 to the Superintendent of Public Instruction for allocation on a one-time basis to school districts, county offices of education, and special education local plan areas. The bill would also appropriate \$25,000,000 in augmentation of Item 6110-161-0001 of *Section 2.00* of on the 2001–02 Budget Act for purposes of making the first one-time allocation in each fiscal year for the 2001–02 fiscal year to school districts, as provided for above. The bill would state that the allocation of *certain of those* funds is in full satisfaction and in lieu of any reimbursable mandate claims relating to special education programs and services, as specified.

Section 8 of Article XVI of the California Constitution (Proposition 98) sets forth a formula for computing the minimum amount of General Fund revenues that the state is required to appropriate for the support of school districts, as defined, and community college districts for each fiscal year. That formula is adjusted in certain fiscal years for changes in pupil enrollment, as specified. Certain 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.

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

Vote: ²/₃. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.

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

1 SECTION 1. The Legislature finds and declares that it is in
 2 the state’s interest that legislation be enacted immediately to
 3 provide funding for special education and resolve a contested state
 4 mandate issue of 20-year standing. The Legislature anticipates that
 5 the Governor will request the enactment of the legislation prior to
 6 the enactment of the 2001–02 Budget Act.

7 SEC. 2. Section 56836.156 is added to the Education Code,
 8 to read:

9 56836.156. (a) The Superintendent of Public Instruction
 10 shall determine the statewide total average daily attendance used
 11 for the purposes of Section 56836.08 for the ~~2000–01~~ 2001–02



1 fiscal year. For the purposes of this calculation, the 2000–01
2 second principal average daily attendance for the court,
3 community school, and special education programs served by the
4 Los Angeles County Juvenile Court and Community
5 School/Division of Alternative Education Special Education
6 Local Plan Area shall be used in lieu of the average daily
7 attendance used for that agency for the purposes of Section
8 56836.08.

9 (b) The superintendent shall divide one hundred million dollars
10 (\$100,000,000) by the amount determined pursuant to subdivision
11 (a).

12 (c) For each special education local plan area, the
13 superintendent shall permanently increase the amount per unit of
14 average daily attendance determined pursuant to subdivision (b)
15 of Section 56836.08 for the 2001–02 fiscal year by the quotient
16 determined pursuant to subdivision (b). This increase shall be
17 effective beginning in the 2001–02 fiscal year.

18 (d) Notwithstanding subdivision (c), for the Los Angeles
19 County Juvenile Court and Community School/Division of
20 Alternative Education Special Education Local Plan Area, the
21 superintendent shall permanently increase the amount per unit of
22 average daily attendance determined pursuant to subdivision (b)
23 of Section 56836.08 by the ratio of the amount determined
24 pursuant to subdivision (b) to the statewide target per unit of
25 average daily attendance determined pursuant to Section 56836.11
26 for the 2000–01 fiscal year. This increase shall be effective
27 beginning in the 2001–02 fiscal year.

28 (e) The superintendent shall increase the statewide target per
29 unit of average daily attendance determined pursuant to Section
30 56836.11 for the 2001–02 fiscal year by the amount determined
31 pursuant to subdivision (b).

32 (f) The funds provided in subdivisions (a) to (e), inclusive, *and*
33 *in subdivision (a) of Section 56836.157* shall be used for the costs
34 of any state-mandated special education programs and services
35 established pursuant to Sections 56000 to 56885, inclusive, and
36 Sections 3000 to 4671, inclusive, of Title 5 of the California Code
37 of Regulations, as those sections read on or before July 1, 2000.
38 These funds shall be considered in full satisfaction of, and are in
39 lieu of, any reimbursable mandate claims relating to special
40 education programs and services, with the exception of the



1 programs and services delineated in subdivision (g). By providing
2 this funding, the state in no way concedes the existence of any
3 unfunded special education reimbursable mandate. These funds
4 shall be used exclusively for programs operated under this part
5 and, as a first priority, for the following programs, which shall be
6 deemed to be fully funded within the meaning of subdivision (e)
7 of Section 17556 of the Government Code:

8 (1) Community advisory committees established pursuant to
9 Sections 56190 to 56192, inclusive, and Section 56194, as these
10 sections read on July 1, 2000.

11 (2) Governance structure established pursuant to subdivision
12 (a) of Section 56195.3, as this section read on July 1, 2000.

13 (3) Enrollment caseloads established pursuant to subdivision
14 (c) of Section 56362, and Section 56363.3, as these sections read
15 on July 1, 2000.

16 (4) Extended school year established pursuant to subdivision
17 (d) of Section 3043 of Title 5 of the California Code of
18 Regulations, as this section read on July 1, 2000.

19 (5) Resource specialist program established pursuant to
20 subdivisions (d), (e), and (f) of Section 56362, as this section read
21 on July 1, 2000.

22 (6) Maximum age limit established pursuant to paragraph (4)
23 of subdivision (c) of Section 56026, as this section read on July 1,
24 2000.

25 (7) Interim placements established pursuant to subdivision (b)
26 of Section 56325, as this section read on July 1, 2000, and Section
27 3067 of Title 5 of the California Code of Regulations, as this
28 section read on December 31, 1994.

29 (8) Written consent established pursuant to Sections 56321 and
30 56346, as these sections read on July 1, 2000.

31 (9) Preschool transportation programs for ages 3 to 5,
32 inclusive, not requiring intensive services (Not-RIS) established
33 pursuant to Section 56441.14, as this section read on July 1, 2000.

34 (10) Special education for pupils ages 3 to 5, inclusive, and 18
35 to 21, inclusive, established pursuant to Section 56026, as this
36 section read on July 1, 2000.

37 (11) With the exception of the programs delineated in
38 subdivision (g), any other state-mandated special education
39 programs and services established by Sections 56000 to 56885,
40 inclusive, and Sections 3000 to 4671, inclusive, of Title 5 of the



1 California Code of Regulations, as those sections read on or before
2 July 1, 2000, whether or not such a mandate has been found by the
3 Commission on State Mandates. Pursuant to subdivision (e) of
4 Section 17556 of the Government Code, these funds shall be
5 deemed to be additional revenue specifically intended to fund the
6 costs of any such state-mandated special education programs and
7 services.

8 (g) Notwithstanding subdivision (f), the following existing
9 mandate test claim remains subject to the normal mandate
10 procedure, including judicial review, if any: behavioral
11 interventions established pursuant to Section 56523 and Sections
12 3001 and 3052 of Title 5 of the California Code of Regulations, as
13 those sections read on July 1, 2000 (CSM-4464 filed by the San
14 Diego Unified School District, the San Joaquin County Office of
15 Education, and the Butte County Office of Education). The
16 exclusion of this claim from subdivision (f) in no way constitutes
17 a concession by the state that any unfunded special education
18 mandate exists.

19 (h) Within the meaning of subdivision (e) of Section 17556 of
20 the Government Code, the funds appropriated for purposes of this
21 section are not specifically intended to fund any state-mandated
22 special education programs and services resulting from
23 amendments enacted after July 1, 2000, to any of the following
24 statutes and regulations:

25 (1) The Individuals with Disabilities Education Act (20 U.S.C.
26 Sec. 1400 et seq.), if the amendments result in circumstances
27 where state law exceeds federal law.

28 (2) Federal regulations implementing the Individuals with
29 Disabilities Education Act (34 C.F.R. 300 and 303), if the
30 amendments result in circumstances where state law exceeds
31 federal law.

32 (3) Sections 56000 to 56885, inclusive, of Title 5 of the
33 California Code of Regulations.

34 (4) Sections 3000 to 4671, inclusive, of Title 5 of the California
35 Code of Regulations.

36 (i) State funds otherwise allocated to each special education
37 local plan area pursuant to Chapter 7.2 (commencing with Section
38 56836) of Part 30 and appropriated through the annual Budget Act
39 shall supplement and not supplant these funds.



1 SEC. 3. Section 56836.157 is added to the Education Code,
2 to read:

3 56836.157. (a) Commencing with the 2001–02 fiscal year to
4 the 2010–11 fiscal year, inclusive, the amount of twenty-five
5 million dollars (\$25,000,000) shall be appropriated, on a one-time
6 basis each fiscal year, from the General Fund for allocation to
7 school districts on a per pupil basis. The Superintendent of Public
8 Instruction shall compute the amount per pupil by dividing
9 twenty-five million dollars (\$25,000,000) by the total average
10 daily attendance, excluding attendance for regional occupation
11 centers and programs, adult education, and programs operated by
12 the county superintendents of schools, for all pupils in
13 kindergarten through grade 12 in all school districts as used by the
14 Superintendent of Public Instruction for the second principal
15 apportionment for the 1999–2000 fiscal year. Each school
16 district’s allocation shall equal the per pupil amount times the
17 district’s average daily attendance as reported to the
18 Superintendent of Public Instruction for the second principal
19 apportionment for the 1999–2000 fiscal year. The amount
20 allocated to each school district shall be the same in all subsequent
21 fiscal years as it is in the first fiscal year.

22 (1) In any fiscal year in which the provisions of paragraph (3)
23 of subdivision (b) of Section 8 of Article XVI of the California
24 Constitution are operative, the annual appropriation shall not be
25 required to be made.

26 (2) The Director of Finance shall notify, in writing, the fiscal
27 committees of both houses of the Legislature, the State Controller,
28 and the Superintendent of Public Instruction no later than May 14
29 that the appropriation for the following fiscal year is not required,
30 pursuant to paragraph (1). If an appropriation is not made for a
31 specific fiscal year, or years, it shall instead be made in the fiscal
32 year, or years, immediately succeeding the final payment pursuant
33 to subdivision (a).

34 ~~(b) The amount of one hundred million dollars (\$100,000,000)~~
35 ~~is hereby appropriated from the General Fund in augmentation of~~
36 ~~Item 6110-161-0001 of Section 2.00 of the 2001–02 Budget Act~~
37 ~~to the Superintendent of Public Instruction for the purposes of~~
38 ~~Section 56836.156.~~

39 ~~(c) (1) The amount of two hundred seventy million dollars~~
40 ~~(\$270,000,000) is hereby appropriated from the General Fund to~~



1 ~~the Superintendent of Public Instruction for allocation on a~~
2 ~~one-time basis to school districts, county offices of education, and~~
3 ~~special education local plan areas (SELPA)s. This amount,~~
4 ~~together with the amount provided pursuant to subdivision (b), is~~
5 ~~in full satisfaction and in lieu of mandate claims resulting from the~~
6 ~~Commission on State Mandates cases identified as (A) Riverside~~
7 ~~County Superintendent of Schools, et al., CSM 3986 on remand~~
8 ~~from the Superior Court of Sacramento County, No. 352795, and~~
9 ~~(B) Long Beach Unified School District, CSM 3986A~~
10 ~~(consolidated with the Santa Barbara County Superintendent of~~
11 ~~Schools, SB 90-3453).~~

12 ~~(2) For purposes of making the computations required by~~
13 ~~Section 8 of Article XVI of the California Constitution, this~~
14 ~~appropriation shall be deemed to be “General Fund revenues~~
15 ~~appropriated for school districts,” as defined in subdivision (a) of~~
16 ~~Section 41202 of the Education Code, for the 1999-2000 fiscal~~
17 ~~year, and included within the “total allocations to school districts~~
18 ~~and community college districts from General Fund proceeds of~~
19 ~~taxes appropriated pursuant to Article XIII B,” as defined in~~
20 ~~subdivision (c) of Section 41202 of the Education Code, for the~~
21 ~~1999-2000 fiscal year.~~

22 ~~(3)~~

23 ~~(b) (1) From the funds appropriated in paragraph (1) for~~
24 ~~purposes of this section in subdivision (b) of Section 4 of the act~~
25 ~~adding this section, the Superintendent of Public Instruction shall~~
26 ~~allocate the following:~~

27 ~~(A) From the appropriation provided in paragraph (1) by~~
28 ~~subdivision (b) of Section 4 of the act adding this section, the~~
29 ~~amount of ten million eight hundred thousand dollars~~
30 ~~(\$10,800,000) shall be allocated by the superintendent to county~~
31 ~~offices of education on an equal per pupil amount. The~~
32 ~~superintendent shall determine the per pupil amount by dividing~~
33 ~~ten million eight hundred thousand dollars (\$10,800,000) by the~~
34 ~~total statewide county special education pupil count only, reported~~
35 ~~by county offices of education as of December 1999. The~~
36 ~~allotment for each county office of education shall be the per pupil~~
37 ~~amount times the county’s special education pupil count reported~~
38 ~~as of December 1999.~~

39 ~~(B) From the appropriation provided by paragraph (1)~~
40 ~~subdivision (b) of Section 4 of act adding this section, the amount~~



1 of two million seven hundred thousand dollars (\$2,700,000) shall
 2 be allocated by the superintendent to SELPAs that existed for the
 3 1999–2000 fiscal year. The superintendent shall determine the
 4 amount of each agency’s allotment by dividing the two million
 5 seven hundred thousand dollars (\$2,700,000) by the total
 6 statewide special education pupil count as of December 1999. The
 7 allotment for each agency shall be the statewide per pupil amount
 8 times the SELPA’s special education pupil count reported as of
 9 December 1999. The superintendent shall adjust the computations
 10 in such a manner as to ensure that the minimum allotment to each
 11 SELPA is at least ten thousand dollars (\$10,000).

12 (C) From the appropriation provided by ~~paragraph (1)~~
 13 *subdivision (b) of Section 4 of the act adding this section*, the
 14 amount of six million dollars (\$6,000,000) shall be allocated by
 15 the superintendent to the Riverside County Office of Education.

16 ~~(4)~~

17 (2) The superintendent shall compute a per pupil amount from
 18 the balance of the appropriation ~~in paragraph (1) by subdivision (b)~~
 19 *of Section 4 of the act adding this section*, after the appropriation
 20 has been reduced by the amounts in paragraph ~~(3)~~ (1), by dividing
 21 the remaining portion of the appropriation by the total average
 22 daily attendance, excluding attendance for regional occupation
 23 centers and programs, adult education, and programs operated by
 24 the county superintendents of schools, for all pupils in
 25 kindergarten through grade 12 in all school districts as used by the
 26 Superintendent of Public Instruction for the second principal
 27 apportionment for the 1999–2000 fiscal year.

28 The superintendent shall apportion to each school district an
 29 amount equal to the per pupil amount times the district’s reported
 30 average daily attendance for the second principal apportionment
 31 for the 1999–2000 fiscal year, excluding attendance for regional
 32 occupation centers and programs, adult education, and programs
 33 operated by the county superintendent of schools.

34 ~~(d) The amount of twenty-five million dollars (\$25,000,000) is~~
 35 ~~hereby appropriated from the General Fund in augmentation of~~
 36 ~~Item 6110-161-0001 of Section 2.00 of the 2001–02 Budget Act~~
 37 ~~for purposes of making the first one-time allocation in each fiscal~~
 38 ~~year for the 2001–02 fiscal year, as required by subdivision (a).~~

39 SEC. 4.—



1 (c) *The amounts appropriated by subdivisions (a) and (b) of*
2 *Section 4 of the act adding this section are in full satisfaction and*
3 *in lieu of mandate claims resulting from the Commission on State*
4 *Mandates cases identified as (1) Riverside County Superintendent*
5 *of Schools, et al., CSM-3986 on remand from the Superior Court*
6 *of Sacramento County, No. 352795, and (2) Long Beach Unified*
7 *School District, CSM-3986A (consolidated with the Santa*
8 *Barbara County Superintendent of Schools, SB 90-3453).*

9 SEC. 4. (a) *The amount of one hundred million dollars*
10 *(\$100,000,000) is hereby appropriated from the General Fund in*
11 *augmentation of Item 6110-161-0001 of Section 2.00 of the*
12 *2001–02 Budget Act to the Superintendent of Public Instruction*
13 *for the purposes of Section 56836.156 of the Education Code.*

14 (b) (1) *The amount of two hundred seventy million dollars*
15 *(\$270,000,000) is hereby appropriated from the General Fund to*
16 *the Superintendent of Public Instruction for allocation on a*
17 *one-time basis to school districts, county offices of education, and*
18 *special education local plan areas (SELPA) as specified in*
19 *subdivision (b) of Section 56836.175 of the Education Code.*

20 (2) *For the purposes of making the computation required by*
21 *Section 8 of Article XVI of the California Constitution, this*
22 *appropriation shall be deemed to be “General Fund revenues*
23 *appropriated for school districts,” as defined in subdivision (a) of*
24 *Section 41202 of the Education Code, for the 1999–2000 fiscal*
25 *year, and included with the “total allocations to school districts*
26 *and community college districts from General Fund proceeds of*
27 *taxes appropriated pursuant to Article XIII B,” as defined in*
28 *subdivision (e) of Section 41202 of the Education Code, for the*
29 *1999–2000 fiscal year.*

30 (c) *The amount of twenty-five million dollars (\$25,000,000) is*
31 *hereby appropriated from the General Fund in augmentation of*
32 *Item 6110-161-0001 of Section 2.00 of the 2001–02 Budget Act for*
33 *purposes of making the first one-time allocation in each fiscal year*
34 *for the 2001–02 fiscal year, as required by subdivision (a) of*
35 *Section 56836.157 of the Education Code.*

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



1 In order to alleviate the fiscal hardship to local educational
2 agencies caused by persistent shortfalls in federal funding for
3 special education; to increase state funding for the special
4 education program, thereby reducing encroachment; to facilitate
5 the settlement of current litigation regarding those programs and
6 the funding thereof; to obviate new litigation; and to resolve
7 related school finance issues, it is necessary for this act to take
8 effect immediately.

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