

AMENDED IN SENATE AUGUST 2, 2010
AMENDED IN SENATE SEPTEMBER 4, 2009
CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

ASSEMBLY BILL

No. 184

Introduced by Assembly Members Block and V. Manuel Perez
(Coauthor: Senator Price)

February 2, 2009

An act to repeal, add, and repeal Section 14044 of the Corporations Code, relating to corporations, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately. An act to amend Section 56836.155 of the Education Code, relating to special education, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 184, as amended, Block. ~~California Small Business Expansion Fund. Special education funding.~~

Existing law requires the Superintendent of Public Instruction, through the 2008–09 fiscal year, to perform a specified calculation to determine the adjusted entitlement of each special education local plan area for the incidence of disabilities.

This bill would extend the requirements of the Superintendent to perform the calculation and adjust the funding through the 2009–10 fiscal year and would specify that the calculation and adjustment also apply to the 2009–10 fiscal year.

~~The California Small Business Financial Development Corporation Law authorizes the formation of small business financial development corporations to grant loans or loan guarantees for the purpose of stimulating small business development. The California Small Business~~

~~Expansion Fund, which is a continuously appropriated fund created under that law, provides funds to be used to pay for defaulted loan guarantees and administrative costs of these corporations, among other investments. Existing law authorizes moneys in that fund to be paid out to a lending institution or financial company that will act as trustee of the funds, as specified. Existing law, effective July 28, 2009, makes state money, as defined, in the California Small Business Expansion Fund and the trust fund unavailable for new loans, loan guarantees, or other investments and requires state money not needed to guarantee existing loans, to administer existing loans, or for other existing investments, as determined by the Director of Finance, to revert to the General Fund.~~

~~This bill would specify that upon the reversion to the General Fund of a total of \$8,300,000, the prohibition on the use of state money in these funds and the reversion requirement shall become inoperative. By making money in excess of that amount available from the expansion fund for purposes of loans, loan guarantees, and other investments, the bill would make an appropriation.~~

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

Vote: $\frac{2}{3}$. Appropriation: ~~yes~~-no. Fiscal committee: yes. State-mandated local program: no.

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

- 1 SECTION 1. Section 56836.155 of the Education Code is
- 2 amended to read:
- 3 56836.155. (a) On or before November 2, 1998, the
- 4 department, in conjunction with the Legislative Analyst’s Office,
- 5 shall do the following:
- 6 (1) Calculate an “incidence multiplier” for each special
- 7 education local plan area using the definition, methodology, and
- 8 data provided in the final report submitted by the American
- 9 Institutes for Research pursuant to Section 67 of Chapter 854 of
- 10 the Statutes of 1997.
- 11 (2) Submit the incidence multiplier for each special education
- 12 local plan area and supporting data to the Department of Finance.
- 13 (b) The Department of Finance shall review the incidence
- 14 multiplier for each special education local plan area and the

1 supporting data, and report any errors to the department and the
2 Legislative Analyst's Office for correction.

3 (c) The Department of Finance shall approve the final incidence
4 multiplier for each special education local plan area by November
5 23, 1998.

6 (d) For the 1998–99 fiscal year and each fiscal year thereafter
7 to and including the ~~2008–09~~ 2009–10 fiscal year, the
8 Superintendent shall perform the following calculation to determine
9 the adjusted entitlement of each special education local plan area
10 for the incidence of disabilities:

11 (1) The incidence multiplier for the special education local plan
12 area shall be multiplied by the statewide target amount per unit of
13 average daily attendance for special education local plan areas
14 determined pursuant to Section 56836.11 for the fiscal year in
15 which the computation is made.

16 (2) The amount determined pursuant to paragraph (1) shall be
17 added to the statewide target amount per unit of average daily
18 attendance for special education local plan area determined
19 pursuant to Section 56836.11 for the fiscal year in which the
20 computation is made.

21 (3) Subtract the amount of funding for the special education
22 local plan area determined pursuant to paragraph (1) of subdivision
23 (a) or paragraph (1) of subdivision (b) of Section 56836.08, as
24 appropriate for the fiscal year in which the computation is made,
25 or the statewide target amount per unit of average daily attendance
26 for special education local plan areas determined pursuant to
27 Section 56836.11 for the fiscal year in which the computation is
28 made, whichever is greater, from the amount determined pursuant
29 to paragraph (2). For the purposes of this paragraph for the
30 2002–03, 2003–04, 2004–05, 2005–06, 2006–07, 2007–08, ~~and~~
31 2008–09, *and* 2009–10 fiscal years, the amount, if any, received
32 pursuant to Section 56836.159 shall be excluded from the funding
33 level per unit of average daily attendance for a special education
34 local plan area. If the result is less than zero, the special education
35 local plan area shall not receive an adjusted entitlement for the
36 incidence of disabilities.

37 (4) Multiply the amount determined in paragraph (3) by either
38 the average daily attendance reported for the special education
39 local plan area for the fiscal year in which the computation is made,
40 as adjusted pursuant to subdivision (a) of Section 56836.15, or the

1 average daily attendance reported for the special education local
2 plan area for the prior fiscal year, as adjusted pursuant to
3 subdivision (a) of Section 56826.15, whichever is less.

4 (5) If there are insufficient funds appropriated in the fiscal year
5 for which the computation is made for the purposes of this section,
6 the amount received by each special education local plan area shall
7 be prorated.

8 (e) For the 1997–98 fiscal year, the Superintendent shall perform
9 the calculation in paragraphs (1) to (3), inclusive, of paragraph (d)
10 only for the purposes of making the computation in paragraph (1)
11 of subdivision (d) of Section 56836.08, but the special education
12 local plan area shall not receive an adjusted entitlement for the
13 incidence of disabilities pursuant to this section for the 1997–98
14 fiscal year.

15 (f) *The Superintendent shall perform the calculation in*
16 *subdivision (d) for the 2009–10 fiscal year and shall adjust the*
17 *entitlement of each special education local plan area for the*
18 *incidence of disabilities regardless of when the changes in this*
19 *section made during the 2009–10 Regular Session become*
20 *operative.*

21 ~~SECTION 1. Section 14044 of the Corporations Code is~~
22 ~~repealed.~~

23 ~~SEC. 2. Section 14044 is added to the Corporations Code, to~~
24 ~~read:~~

25 ~~14044. (a) As of July 28, 2009, notwithstanding any other~~
26 ~~provision of this chapter, a total of eight million three hundred~~
27 ~~thousand dollars (\$8,300,000) of state money in the expansion~~
28 ~~fund, or the trust fund, or both, as determined by the Director of~~
29 ~~Finance, shall not be available to corporations or to the state for~~
30 ~~any purposes authorized by this chapter, and shall instead revert~~
31 ~~to the General Fund.~~

32 ~~(b) For purposes of this section, “state money” means money~~
33 ~~that can be reverted to the General Fund.~~

34 ~~(c) This section shall become inoperative as of the date upon~~
35 ~~which the reversion pursuant to subdivision (a) is completed, and~~
36 ~~shall be repealed on January 1 of the next succeeding calendar~~
37 ~~year.~~

38 ~~SEC. 3.~~

39 ~~SEC. 2. This act is an urgency statute necessary for the~~
40 ~~immediate preservation of the public peace, health, or safety within~~

1 the meaning of Article IV of the Constitution and shall go into
2 immediate effect. The facts constituting the necessity are:

3 ~~In order to ensure that revenue intended by the Legislature is~~
4 ~~available in the General Fund to support vital programs, it is~~
5 ~~necessary that this act take effect immediately.~~

6 *Unless an entitlement is provided for the 2009–10 school year,*
7 *school districts will face financial hardship if they are required*
8 *to return funds to the department that were distributed to them in*
9 *error; therefore it is necessary that this act go into immediate*
10 *effect.*

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