

AMENDED IN ASSEMBLY MARCH 21, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1066**

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**Introduced by Assembly Member Holden**

February 22, 2013

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*An act to amend, repeal, and add Section 42238.5 of, to add Chapter 4 (commencing with Section 46400) to Part 26 of Division 4 of Title 2 of, and to repeal Section 46401 of, the Education Code, relating to ~~infrastructure~~ school finance.*

LEGISLATIVE COUNSEL'S DIGEST

AB 1066, as amended, Holden. ~~Infrastructure.~~ *School finance: average daily enrollment.*

Existing law ~~authorizes the legislative body of a city, a county, or a city and county to create infrastructure financing districts for the sole purpose of financing public facilities, as specified. requires the use of average daily attendance to compute revenue limits and school funding apportionments, as specified.~~

This bill would state the intent of the Legislature to ~~promote infrastructure development.~~ *equitably fund the services provided by each school district, county office of education, and charter school by the enrollment of pupils for which the school district, county office of education, or charter school is required to educate. The bill would replace average daily attendance with average daily enrollment, as defined, and would, commencing with the 2014–15 fiscal year, phase in the replacement of average daily attendance with average daily enrollment over 3 fiscal years, as specified. The bill would, commencing on July 1, 2016, provide that all statutory references to average daily attendance are deemed to refer to average daily enrollment, as defined.*

*By requiring local educational agencies to use average daily enrollment instead of average daily attendance, the bill would impose a state-mandated local program.*

*The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.*

*This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.*

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

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

1     SECTION 1. *It is the intent of the Legislature to equitably fund*  
2 *the services provided by each school district, county office of*  
3 *education, and charter school by the enrollment of pupils for which*  
4 *the school district, county office of education, or charter school*  
5 *is required to educate. In order to accomplish this purpose, it is*  
6 *further the intent of the Legislature to commence a multiyear*  
7 *process to transition from the collection and use of average daily*  
8 *attendance to average daily enrollment.*

9     SEC. 2. *Section 42238.5 of the Education Code is amended to*  
10 *read:*

11     42238.5. (a) For purposes of Section 42238, the fiscal year  
12 average daily attendance shall be computed pursuant to paragraph  
13 (1) or (2).

14     (1) The second principal apportionment regular average daily  
15 attendance for either the current or prior fiscal year, whichever is  
16 greater. However, prior fiscal year average daily attendance shall  
17 be adjusted for any loss or gain of average daily attendance due  
18 to a reorganization or transfer of territory, or, commencing in the  
19 1993–94 fiscal year; and each fiscal year thereafter, for any change  
20 in average daily attendance for pupils who are concurrently enrolled  
21 in adult programs and classes pursuant to Section 52616.17.

22     (2) Any school district that elects to receive funding pursuant  
23 to Article 4 (commencing with Section 42280) shall compute its  
24 units of average daily attendance for purposes of Section 42238

1 by subtracting the amount determined in subparagraph (B) from  
2 the amount determined in subparagraph (A).

3 (A) The units of average daily attendance computed pursuant  
4 to paragraph (1).

5 (B) The units of average daily attendance resulting from pupils  
6 attending schools funded pursuant to Article 4 (commencing with  
7 Section 42280).

8 (b) For purposes of this article, regular average daily attendance  
9 shall be the base revenue limit average daily attendance, excluding  
10 summer school average daily attendance.

11 ~~(c) For purposes of this section, for the 1998–99 fiscal year~~  
12 ~~only, the prior year average daily attendance shall be the 1997–98~~  
13 ~~regular average daily attendance, excluding absences excused~~  
14 ~~pursuant to subdivision (b) of Section 46010, as that subdivision~~  
15 ~~read on July 1, 1996.~~

16 *(c) This section shall become inoperative on July 1, 2014, and,*  
17 *as of January 1, 2015, is repealed, unless a later enacted statute,*  
18 *that becomes operative on or before January 1, 2015, deletes or*  
19 *extends the dates on which it becomes inoperative and is repealed.*

20 *SEC. 3. Section 42238.5 is added to the Education Code, to*  
21 *read:*

22 *42238.5. (a) From the 2014–15 fiscal year to the 2015–16*  
23 *fiscal year, inclusive, for purposes of Section 42238, the fiscal*  
24 *year average daily attendance, as determined pursuant to Section*  
25 *46401, shall be computed pursuant to paragraph (1) or (2).*

26 *(1) The second principal apportionment regular average daily*  
27 *attendance for either the current or prior fiscal year, whichever*  
28 *is greater. However, prior fiscal year average daily attendance*  
29 *shall be adjusted for any loss or gain of average daily enrollment*  
30 *due to a reorganization or transfer of territory, or, commencing*  
31 *in the 1993–94 fiscal year and each fiscal year thereafter, for any*  
32 *change in average daily attendance for pupils who are concurrently*  
33 *enrolled in adult programs and classes pursuant to Section*  
34 *52616.17.*

35 *(2) A school district that elects to receive funding pursuant to*  
36 *Article 4 (commencing with Section 42280) shall compute its units*  
37 *of average daily attendance for purposes of Section 42238 by*  
38 *subtracting the amount determined in subparagraph (B) from the*  
39 *amount determined in subparagraph (A).*

- 1 (A) *The units of average daily attendance computed pursuant*  
 2 *to paragraph (1).*  
 3 (B) *The units of average daily attendance resulting from pupils*  
 4 *attending schools funded pursuant to Article 4 (commencing with*  
 5 *Section 42280).*  
 6 (b) *For purposes of this article, regular average daily*  
 7 *attendance shall be the base revenue limit average daily*  
 8 *attendance, excluding summer school average daily attendance.*  
 9 (c) *This section shall become operative on July 1, 2014, and*  
 10 *inoperative on July 1, 2016, and, as of January 1, 2017, is*  
 11 *repealed, unless a later enacted statute, that becomes operative*  
 12 *on or before January 1, 2017, deletes or extends the dates on which*  
 13 *it becomes inoperative and is repealed.*  
 14 SEC. 4. *Section 42238.5 is added to the Education Code, to*  
 15 *read:*  
 16 42238.5. (a) *Commencing with the 2016–17 fiscal year, for*  
 17 *purposes of Section 42238, the fiscal year average daily enrollment*  
 18 *shall be computed pursuant to paragraph (1) or (2).*  
 19 (1) *The second principal apportionment regular average daily*  
 20 *enrollment for either the current or prior fiscal year, whichever*  
 21 *is greater. However, prior fiscal year average daily enrollment*  
 22 *shall be adjusted for any loss or gain of average daily attendance*  
 23 *due to a reorganization or transfer of territory, or, for any change*  
 24 *in average daily enrollment for pupils who are concurrently*  
 25 *enrolled in adult programs and classes pursuant to Section*  
 26 *52616.17.*  
 27 (2) *Any school district that elects to receive funding pursuant*  
 28 *to Article 4 (commencing with Section 42280) shall compute its*  
 29 *units of average daily enrollment for purposes of Section 42238*  
 30 *by subtracting the amount determined in subparagraph (B) from*  
 31 *the amount determined in subparagraph (A).*  
 32 (A) *The units of average daily enrollment computed pursuant*  
 33 *to paragraph (1).*  
 34 (B) *The units of average daily enrollment resulting from pupils*  
 35 *attending schools funded pursuant to Article 4 (commencing with*  
 36 *Section 42280).*  
 37 (b) *For purposes of this article, regular average daily enrollment*  
 38 *shall be the base revenue limit average daily enrollment, excluding*  
 39 *summer school average daily enrollment.*  
 40 (c) *This section shall become operative on July 1, 2016.*

1     *SEC. 5. Chapter 4 (commencing with Section 46400) is added*  
2 *to Part 26 of Division 4 of Title 2 of the Education Code, to read:*

3  
4             *CHAPTER 4. AVERAGE DAILY ENROLLMENT*  
5

6     46400. *For purposes of this chapter, “average daily*  
7 *enrollment” means the pupils in enrollment in the regular*  
8  *schooldays of the school district, county office of education, or*  
9  *charter school on the first day of the school year on which the*  
10  *schools were in session, plus all later enrollees, minus all*  
11  *withdrawals since that day.*

12     46401. (a) *From July 1, 2014, to June 30, 2015, inclusive, a*  
13  *school district, county office of education, or charter school shall*  
14  *compute its fiscal year average daily attendance pursuant to*  
15  *Section 42238.5, as follows:*

16         (1) *Two-thirds of the fiscal year average daily attendance shall*  
17  *be computed pursuant to Chapter 3 (commencing with Section*  
18  *46300).*

19         (2) *One-third of the fiscal year average daily attendance shall*  
20  *be computed pursuant to average daily enrollment, as defined in*  
21  *Section 46400.*

22     (b) *From July 1, 2015, to June 30, 2016, inclusive, a school*  
23  *district, county office of education, or charter school shall compute*  
24  *its fiscal year average daily attendance pursuant to Section*  
25  *42238.5, as follows:*

26         (1) *One-third of the fiscal year average daily attendance shall*  
27  *be computed pursuant to Chapter 3 (commencing with Section*  
28  *46300).*

29         (2) *Two-thirds of the fiscal year average daily attendance shall*  
30  *be computed pursuant to average daily enrollment, as defined in*  
31  *Section 46400.*

32     (c) *This section shall become inoperative on July 1, 2016, and,*  
33  *as of January 1, 2017, is repealed, unless a later enacted statute,*  
34  *that becomes operative on or before January 1, 2017, deletes or*  
35  *extends the dates on which it becomes inoperative and is repealed.*

36     46401. (a) *A school district, county office of education, or*  
37  *charter school shall compute its fiscal year average daily*  
38  *enrollment, as defined in Section 46400, for purposes of Section*  
39  *42238.5.*

40         (b) *This section shall become operative on July 1, 2016.*

1 46402. Commencing on July 1, 2016, all statutory references  
2 to “average daily attendance” are deemed to refer to “average  
3 daily enrollment,” as defined in Section 46400.

4 SEC. 6. If the Commission on State Mandates determines that  
5 this act contains costs mandated by the state, reimbursement to  
6 local agencies and school districts for those costs shall be made  
7 pursuant to Part 7 (commencing with Section 17500) of Division  
8 4 of Title 2 of the Government Code.

9 ~~SECTION 1. It is the intent of the Legislature to promote~~  
10 ~~infrastructure development.~~