AMENDED IN ASSEMBLY MAY 6, 2013

AMENDED IN ASSEMBLY APRIL 10, 2013

ASSEMBLY BILL   No. 1186

Introduced by Assembly Member Bonilla

February 22, 2013

An act to amend Section 42605 of the Education Code, relating to school finance.

LEGISLATIVE COUNSEL'S DIGEST

AB 1186, as amended, Bonilla. School finance: categorical programs.

Existing law establishes various categorical education programs and appropriates the funding for those programs in the annual Budget Act. Existing law requires the Superintendent of Public Instruction, for the 2008–09 to 2014–15 fiscal years, inclusive, to apportion from the amounts provided in the annual Budget Act for specified categorical education programs an amount based on the relative proportion that the local educational agency received in the 2008–09 fiscal year for those programs and authorizes school districts, for those fiscal years, to use these funds, with specified exceptions, for any educational purpose, to the extent permitted by federal law. Existing law requires a local educational agency to report expenditures of these funds to the State Department of Education.

This bill would require the Superintendent to apportion from the amounts provided in the annual Budget Act for specified categorical education programs an amount based on the relative proportion that the local educational agency received in the 2008–09 fiscal year for those programs, through the 2019–20 fiscal year. The bill would authorize

~~school districts, for each fiscal year from the 2013–14 fiscal year to the 2019–20 fiscal year, inclusive, to use these funds for any educational purpose, with specified exceptions and to the extent permitted by federal law, if at least 9% of those funds are used for purposes of professional development for certificated and administrative employees to implement the common core academic content standards, purchasing technology for the purpose of implementing state assessments aligned with the common core academic content standards, or implementation of programs that integrate science, technology, engineering, and math, as appropriate for pupils in grades 7 to 12, inclusive, or a combination of those purposes.~~ The bill would, commencing with the 2013–14 fiscal year, require ~~these provisions to be~~ *a recipient of these funds to use at least 9% of the funds for purposes of professional development for certificated and administrative employees to implement the common core academic content standards, purchasing technology for the purpose of implementing state assessments aligned with the common core academic content standards, or implementation of programs that integrate science, technology, engineering, and mathematics, as appropriate, for pupils in grades 7 to 12, inclusive, or a combination of those purposes. The bill would provide that the requirement that 9% of the funds be used for the purposes described above is* inoperative if *total* funding for the specified categorical programs *for the 2013–14 fiscal year* is not increased by 18% from that funding for the prior fiscal year or if a local control funding formula for kindergarten and grades 1 to 12, inclusive, is enacted during the 2013–14 legislative session. By extending the period of time that a local educational agency is required to report expenditures of funds received pursuant to this provision to the department, 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: yes. State-mandated local program: yes.

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

1   SECTION 1.   Section 42605 of the Education Code is amended
2 to read:
3   42605. (a) (1) Unless otherwise prohibited under federal law
4 or otherwise specified in ~~subdivision (e),~~ *subdivisions (e) and (g),*
5 for the 2008–09 fiscal year to the 2019–20 fiscal year, inclusive,
6 recipients of funds from the items listed in paragraph (2) may use
7 funding received, pursuant to subdivision (b), from any of these
8 items listed in paragraph (2) that are contained in Section 2.00 of
9 the annual Budget Act, for any educational ~~purpose if, for each~~
10 ~~fiscal year from the 2013–14 fiscal year to the 2019–20 fiscal year,~~
11 ~~inclusive, the recipient uses at least 9 percent of the total amount~~
12 ~~of funds received pursuant to subdivision (b) for any, or a~~
13 ~~combination, of the following purposes:~~ *purpose.*
14 ~~(A) Professional development for certificated and administrative~~
15 ~~employees to implement the common core academic content~~
16 ~~standards established pursuant to Section 60605.8.~~
17 ~~(B) Purchasing technology for the purpose of implementing~~
18 ~~state assessments aligned with the common core academic content~~
19 ~~standards.~~
20 ~~(C) Implementation of programs that integrate science,~~
21 ~~technology, engineering, and mathematics, as appropriate for pupils~~
22 ~~in grades 7 to 12, inclusive.~~
23   (2) Items 6110-104-0001, 6110-105-0001, 6110-108-0001,
24 6110-122-0001, 6110-124-0001, 6110-137-0001, 6110-144-0001,
25 6110-150-0001, 6110-151-0001, 6110-156-0001, 6110-181-0001,
26 6110-188-0001, 6110-189-0001, 6110-190-0001, 6110-193-0001,
27 6110-195-0001, 6110-198-0001, 6110-204-0001, 6110-208-0001,
28 6110-209-0001, 6110-211-0001, 6110-227-0001, 6110-228-0001,
29 6110-232-0001, 6110-240-0001, 6110-242-0001, 6110-243-0001,
30 6110-244-0001, 6110-245-0001, 6110-246-0001, 6110-247-0001,
31 6110-248-0001, 6110-260-0001, 6110-265-0001, 6110-266-0001,
32 6110-267-0001, 6110-268-0001, and 6360-101-0001 of Section
33 2.00.
34   (b) (1) For the 2009–10 fiscal year to the 2014–15 fiscal year,
35 inclusive, the Superintendent or other administering state agency,
36 as appropriate, shall apportion from the amounts provided in the
37 annual Budget Act for the items enumerated in paragraph (2) of
38 subdivision (a) an amount to recipients based on the same relative

1 proportion that the recipient received in the 2008–09 fiscal year
2 for the programs funded through the items enumerated in paragraph
3 (2) of subdivision (a).
4   (2) This section and Section 42 of Chapter 12 of the Third
5 Extraordinary Session of the Statutes of 2009 do not authorize a
6 school district that receives funding on behalf of a charter school
7 pursuant to Sections 47634.1 and 47651 to redirect this funding
8 for another purpose unless otherwise authorized in law or pursuant
9 to an agreement between a charter school and its chartering
10 authority. Notwithstanding paragraph (1), for the 2008–09 fiscal
11 year to the 2019–20 fiscal year, inclusive, a school district that
12 receives funding on behalf of a charter school pursuant to Sections
13 47634.1 and 47651 shall continue to distribute the funds to those
14 charter schools based on the relative proportion that the school
15 district distributed in the 2007–08 fiscal year, and shall adjust those
16 amounts to reflect changes in charter school attendance in the
17 school district. The amounts allocated shall be adjusted for any
18 greater or lesser amount appropriated for the items enumerated in
19 paragraph (2) of subdivision (a). For a charter school that began
20 operation in the 2008–09 fiscal year, if a school district received
21 funding on behalf of that charter school pursuant to Sections
22 47634.1 and 47651, the school district shall continue to distribute
23 the funds to that charter school based on the relative proportion
24 that the school district distributed in the 2008–09 fiscal year and
25 shall adjust the amount of those funds to reflect changes in charter
26 school attendance in the school district. The amounts allocated
27 shall be adjusted for any greater or lesser amount appropriated for
28 the items enumerated in paragraph (2) of subdivision (a).
29   (3) Notwithstanding paragraph (1), for the 2008–09 fiscal year
30 to the 2019–20 fiscal year, inclusive, the Superintendent shall
31 apportion from the amounts appropriated by Item 6110-211-0001
32 of Section 2.00 of the annual Budget Act an amount to a charter
33 school in accordance with the per-pupil methodology prescribed
34 in subdivision (c) of Section 47634.1.
35   (4) Notwithstanding paragraph (1), for the 2008–09 fiscal year
36 to the 2019–20 fiscal year, inclusive, the Superintendent shall
37 apportion from the amounts provided in the annual Budget Act an
38 amount to a school district, charter school, and county office of
39 education based on the same relative proportion that the local
40 educational agency received in the 2007–08 fiscal year for the

1 programs funded through the following items contained in Section
2 2.00 of the annual Budget Act: 6110-104-0001, 6110-105-0001,
3 6110-156-0001, 6110-190-0001, Schedule (3) of 6110-193-0001,
4 6110-198-0001, 6110-232-0001, and Schedule (2) of
5 6110-240-0001.
6 　(5) For purposes of paragraph (4), if a direct-funded charter
7 school began operation in the 2008–09 fiscal year, the amount that
8 the charter school was entitled to receive from the items
9 enumerated in paragraph (4) for the 2008–09 fiscal year, as certified
10 by the Superintendent in March 2009, is deemed to have been
11 received in the 2007–08 fiscal year.
12 　(c) (1) This section does not obligate the state to refund or repay
13 reductions made pursuant to this section. A decision by a school
14 district to reduce funding pursuant to this section for a
15 state-mandated local program shall constitute a waiver of the
16 subvention of funds that the school district is otherwise entitled to
17 pursuant to Section 6 of Article XIII B of the California
18 Constitution on the amount so reduced.
19 　(2) (A) As a condition of receipt of funds, the governing board
20 of the school district or governing board of the county office of
21 education, as appropriate, at a regularly scheduled open public
22 hearing shall take testimony from the public, discuss, approve or
23 disapprove the proposed use of funding, and make explicit for each
24 of the budget items in paragraph (2) of subdivision (a) the purposes
25 for which the funds will be used.
26 　(B) The regularly scheduled open public hearing held pursuant
27 to subparagraph (A) shall be held before and independent of a
28 meeting where the governing board of the school district or
29 governing board of the county office of education adopts a budget.
30 If the governing board intends to close a program funded by the
31 items listed in paragraph (2) of subdivision (a), the governing board
32 shall identify, in the notice of the agenda of the public hearing or
33 at another public hearing, the program or programs proposed to
34 be closed.
35 　(3) Using the Standardized Account Code Structure reporting
36 process, a local educational agency shall report expenditures of
37 funds pursuant to the authority of this section by using the
38 appropriate function codes to indicate the activities for which these
39 funds are expended. The department shall collect this information
40 and provide it to the Department of Finance and the appropriate

1 policy and budget committees of the Legislature by April 15, 2010,
2 and annually thereafter on April 15 until, and including, April 15,
3 2021.
4   (d) For the 2008–09 fiscal year to the 2019–20 fiscal year,
5 inclusive, local educational agencies that use the flexibility
6 provision of this section shall be deemed to be in compliance with
7 the program and funding requirements contained in statutory,
8 regulatory, and provisional language, associated with the items
9 enumerated in subdivision (a).
10   (e) Notwithstanding subdivision (d), the following requirements
11 shall continue to apply:
12   (1) For Item 6110-105-0001 of Section 2.00 of the annual
13 Budget Act, the amount authorized for flexibility shall exclude the
14 funding provided to fund remedial educational services pursuant
15 to Provision 4. For Item 6110-156-0001 of Section 2.00 of the
16 annual Budget Act, the amount authorized for flexibility shall
17 exclude the funding provided for instruction of CalWORKs-eligible
18 students pursuant to Schedules (2) and (3) and Provisions 2 and
19 4.
20   (2) (A) Any instructional materials purchased by a local
21 educational agency for kindergarten and grades 1 to 8, inclusive,
22 and for grades 9 to 12, inclusive, shall be aligned with the state
23 standards adopted pursuant to Section 60605 or 60605.8, and shall
24 also meet the reporting and sufficiency requirements contained in
25 Section 60119.
26   (B) For purposes of this section, "sufficiency requirements" are
27 the requirements that each pupil has sufficient textbooks and
28 instructional materials in the four core areas as defined by Section
29 60119 and that all pupils within the local educational agency who
30 are enrolled in the same course shall have identical textbooks and
31 instructional materials, as specified in Section 1240.3.
32   (3) For Item 6110-195-0001 of Section 2.00 of the annual
33 Budget Act, the item shall exclude moneys that are required to
34 fund awards for teachers that have previously met the requirements
35 necessary to obtain these awards, until the award is paid in full.
36   (4) For Item 6110-266-0001 of Section 2.00 of the annual
37 Budget Act, a county office of education shall conduct at least one
38 site visit to each of the required schoolsites pursuant to Section
39 1240 and shall fulfill all of the duties set forth in Sections 1240
40 and 44258.9.

1   (5) For Item 6110-198-0001 of Section 2.00 of the annual
2 Budget Act, a school district or county office of education that
3 operates the child care component of the Cal-SAFE program shall
4 comply with paragraphs (5) and (6) of subdivision (c) of Section
5 54746.
6   (f) This section does not invalidate any state law pertaining to
7 teacher credentialing requirements or the functions that require
8 credentials.
9   (g) (1) Commencing with the 2013–14 fiscal year, ~~this section~~
10 ~~shall be inoperative if either of the following apply~~ *the*
11 *authorization in subdivision (a), to use funding received pursuant*
12 *to subdivision (b) for any educational purpose, shall only apply*
13 *if, for each fiscal year from 2013–14 fiscal year to the 2019–20*
14 *fiscal year, inclusive, the recipient uses at least 9 percent of the*
15 *total amount of funds received pursuant to subdivision (b) for any,*
16 *or a combination, of the following purposes*:
17   *(A) Professional development for certificated and administrative*
18 *employees to implement the common core academic content*
19 *standards established pursuant to Section 60605.8.*
20   *(B) Purchasing technology for the purpose of implementing*
21 *state assessments aligned with the common core academic content*
22 *standards.*
23   *(C) Implementation of programs that integrate science,*
24 *technology, engineering, and mathematics, as appropriate for*
25 *pupils in grades 7 to 12, inclusive.*
26   *(2) This subdivision shall be inoperative if either of the following*
27 *apply:*
28   (A) The ~~amounts~~ *total amount* provided for the items
29 enumerated in paragraph (2) of subdivision (a) for the 2013–14
30 fiscal year ~~are~~ *is* increased by less than 18 percent over the amount
31 provided for those items in the 2012–13 fiscal year.
32   (B) A local control funding formula for kindergarten and grades
33 1 to 12, inclusive, is enacted during the 2013–14 legislative session.
34   ~~(2)~~
35   *(3)* If the department determines that this subdivision applies,
36 it shall promptly display that fact prominently on the department's
37 Internet Web site.
38   SEC. 2. If the Commission on State Mandates determines that
39 this act contains costs mandated by the state, reimbursement to
40 local agencies and school districts for those costs shall be made

1 pursuant to Part 7 (commencing with Section 17500) of Division
2 4 of Title 2 of the Government Code.

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