

AMENDED IN SENATE AUGUST 13, 2014

AMENDED IN SENATE AUGUST 11, 2014

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1480**

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**Introduced by Committee on Budget (Skinner (Chair), Bloom, Campos, Chesbro, Dababneh, Daly, Dickinson, Gordon, Jones-Sawyer, Mullin, Muratsuchi, Nazarian, Rodriguez, Stone, Ting, and Weber)**

January 9, 2014

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An act to amend Sections 8278.3, 8357, 8447, 8450, 48000, 51749.5, 53012, 84754.6, 89295, 92495, and 92675 of the Education Code, and to amend Section 10502 of the Public Contract Code, relating to education finance, and making an appropriation therefor, to take effect immediately, bill related to the budget.

LEGISLATIVE COUNSEL'S DIGEST

AB 1480, as amended, Committee on Budget. Education finance.

(1) Existing law establishes the Child Care Facilities Revolving Fund, a continuously appropriated fund, to provide funding for the renovation, repair, or improvement of an existing building to make it suitable for licensure for child care and development services and for the purchase of new relocatable child care facilities for lease to local educational agencies and contracting agencies that provide child care and development services. Existing law requires local educational agencies and contracting agencies using facilities made available by the use of these funds to be charged a leasing fee, as specified, and requires the Superintendent of Public Instruction to deposit any revenue derived from the lease payments into the fund. Existing law requires

augmentations to the fund made in the Budget Act of 2014 to be used for renovation or repair of existing local educational facilities or new relocatable child care facilities for lease to local educational agencies that provide California state preschool program services.

This bill would require the funding for the renovation, repair, or improvement of an existing building to make it suitable for licensure for child care and development services to be used for loans, would require the loans to be repaid within a period that does not exceed 10 years, and would require the Superintendent to deposit all revenue derived from the loan repayments into the fund, thereby making an appropriation. The bill would also require augmentations to the fund made in the Budget Act of 2014 to be used for loans for renovation or repair of existing local educational agency facilities to ensure those facilities meet applicable health and safety standards or the purchase of new relocatable child care facilities for lease to local educational agencies, for the purpose of expanding access to California state preschool program services.

(2) Existing law requires the cost of child care services provided for CalWORKs recipients to be governed by regional market rates and requires the regional market rate ceilings to be established at the 85th percentile of the 2005 regional market rate survey for that region.

This bill, commencing January 1, 2015, would instead require the regional market rate ceilings to be established at the greater of either the 85th percentile of the 2009 regional market rate survey for that region, reduced by ~~9%~~, *10.11%*, or the 85th percentile of the 2005 regional market rate survey for that region.

(3) Existing law requires the Department of Finance and the Department of General Services to approve or disapprove annual state subsidized child care and development program contract funding terms and conditions, including both family fee schedules and regional market rate schedules that are required to be adhered to by contract. Existing law, commencing January 1, 2015, requires the State Department of Education to implement the regional market schedule based upon the county aggregates, as determined by the Regional Market survey conducted in 2009 and require the regional market rate schedule to be reduced by 13%, except as specified.

This bill would instead require the regional market rate schedule to be reduced by ~~9%~~, *10.11%*, except as specified.

(4) Existing law authorizes a child development contractor to retain a reserve fund balance equal to 5% of the sum of the maximum

reimbursable amount of all contracts to which the contractor is a party, or \$2,000, whichever is greater, and authorizes a California state preschool program contracting agency to retain in the reserve fund an additional 10% of the sum of the maximum reimbursable amount of all preschool contracts to which the contracting agency is a party for purposes of professional development for California state preschool program staff.

This bill would clarify the reserve fund balance limits that apply to child development contractors and California state preschool program contracting agencies, as specified.

(5) Existing law requires a school district or charter school, as a condition of receipt of apportionment for pupils in a transitional kindergarten program, to ensure that teachers who are assigned to a transitional kindergarten class after July 1, 2015, be credentialed and, by August 1, 2020, have a minimum number of units in early childhood education or childhood development, comparable experience in a preschool setting, or a child development permit issued by the Commission on Teacher Credentialing.

This bill would instead require a school district or charter school, as a condition of receipt of apportionment for pupils in a transitional kindergarten program, to ensure that credentialed teachers who are first assigned to a transitional kindergarten class after July 1, 2015, have, by August 1, 2020, a minimum number of units in early childhood education or childhood development, comparable experience in a preschool setting, or a child development teacher permit issued by the Commission on Teacher Credentialing.

(6) Existing law, commencing with the 2015–16 school year, authorizes a school district, charter school, or county office of education to provide independent study courses for pupils enrolled in kindergarten and grades 1 to 12, inclusive, in accordance with prescribed conditions. Existing law provides for the computation of the average daily attendance for pupils enrolled in courses offered pursuant to these provisions.

This bill would revise the computation of the average daily attendance for those independent study courses by providing that if more than 10% of the total average daily attendance of a school district, charter school, or county office of education is claimed pursuant to those courses, the amount of average daily attendance for all pupils enrolled by that school district, charter school, or county office of education enrolled in those courses that exceeds 10% of the school district's, charter school's, or

county office of education's total average daily attendance shall be reduced, as specified.

(7) Existing law establishes the California Career Pathways Trust as a state education and economic and workforce development initiative, requires the State Department of Education to administer the trust as a competitive grant program, as specified, and provides that a grant recipient may be a school district, county office of education, direct-funded charter school, or community college district.

This bill would provide that a regional occupational center or program operated as a joint powers authority may also be a grant recipient.

(8) Existing law requires the Chancellor of the California Community Colleges to publicly post annual segmentwide and community college district goals, and requires the chancellor, in coordination with stakeholders, specified committees of the Legislature, and the Department of Finance, to develop, and the board of governors to adopt, a framework of indicators designed to measure and assess the ongoing condition of a community college's operational environment in specified areas. Existing law requires, as a condition of the receipt of specified funds, each community college within a community college district to annually develop, adopt, and post a goals framework that addresses at least all of the specified areas referenced above in connection with the measurement and assessment of the ongoing condition of a community college's operational environment.

This bill would state legislative intent regarding these goals frameworks and would require the board of governors to annually develop, adopt, and publicly post a systemwide goals framework that addresses at least all of the specified areas referenced above in connection with the measurement and assessment of the ongoing condition of a community college's operational environment.

(9) Existing law requires the California State University and the University of California to report, by March 15 of each year, on specified performance measures, including various calculations of graduation rates and amounts spent per degree, for the preceding academic year.

This bill would express the intent of the Legislature that the appropriate policy and fiscal committees of the Legislature review these performance measures in a collaborative process with the Department of Finance, the Legislative Analyst's Office, individuals with expertise in statewide accountability efforts, the University of California, the California State University, and the California Community Colleges,

and consider any recommendations for their modification and refinement, as specified.

(10) Existing law establishes procedures to be followed by the University of California if it plans to use any of the support appropriation in the annual budget for a subsequent fiscal year for capital expenditures, as specified. Under existing law, these procedures include the submission of specified data to the Joint Legislative Budget Committee.

This bill would revise these procedures to provide for the submission of this data to the committees in each house of the Legislature that consider the annual State Budget and the budget subcommittees in each house of the Legislature that consider appropriations for the University of California, instead of to the Joint Legislative Budget Committee.

(11) Existing law requires the Regents of the University of California to give public notice of a project to bidders by publication twice in one newspaper of general circulation published in the county in which the major portion of the project is located and in one trade paper circulated in the county in which the major portion of the work is to be done, as specified, within the 60-day period preceding the day set for the receiving of bids.

This bill would authorize the regents to give public notice of a project to bidders under this provision either in the newspaper and trade paper as indicated above or electronically on the Internet Web site of the university.

(12) Existing law authorizes a school district or charter school to maintain a transitional kindergarten program and defines transitional kindergarten as the first year of a 2-year kindergarten program that uses a modified kindergarten curriculum that is age and developmentally appropriate. Existing law requires the Superintendent of Public Instruction to administer all California state preschool programs. Existing law requires those programs to include part-day age and developmentally appropriate programs designed to facilitate the transition to kindergarten for 3- and 4-year-old children. Existing law requires the county board of supervisors and the county superintendent of schools to select members of a local planning council. Existing law requires a local planning council to conduct an assessment of child care needs in the county no less than once every 5 years.

Of the moneys appropriated in the Budget Act of 2014, this bill would allocate certain of those moneys for purposes of professional development stipends, to be administered by local planning councils, for teachers in transitional kindergarten and teachers in the California

state preschool program, as provided. By imposing a new duty on a local planning council, the bill would create a state-mandated local program.

(13) This bill would make nonsubstantive changes to these provisions.

(14) Funds allocated 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, as provided.

(15) 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.

(16) This bill would declare that it is to take effect immediately as a bill providing for appropriations related to the Budget Bill.

Vote: majority. Appropriation: yes. Fiscal committee: yes. State-mandated local program: yes.

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

1 SECTION 1. Section 8278.3 of the Education Code is amended  
2 to read:  
3 8278.3. (a) (1) The Child Care Facilities Revolving Fund is  
4 hereby established in the State Treasury to provide funding for  
5 loans for the renovation, repair, or improvement of an existing  
6 building to make the building suitable for licensure for child care  
7 and development services, and for the purchase of new relocatable  
8 child care facilities for lease to local educational agencies and  
9 contracting agencies that provide child care and development  
10 services, pursuant to this chapter. The Superintendent may transfer  
11 state funds appropriated for child care facilities into this fund for  
12 allocation to local educational agencies and contracting agencies,  
13 as specified, for the purchase, transportation, and installation of  
14 facilities for replacement and expansion of capacity. Local  
15 educational agencies and contracting agencies using facilities  
16 purchased by the use of these funds shall be charged a leasing fee,  
17 either at a fair market value for those facilities or at an amount  
18 sufficient to amortize the cost of purchase and relocation,

1 whichever amount is lower, over a 10-year period. Upon full  
2 repayment of the purchase and relocation costs, title shall transfer  
3 from the State of California to the local educational agency or  
4 contracting agency. Loans for renovation or repair shall be repaid  
5 within a period that does not exceed 10 years. The Superintendent  
6 shall deposit all revenue derived from the lease payments or  
7 renovation or repair loan repayments into the Child Care Facilities  
8 Revolving Fund.

9 (2) Notwithstanding Section 13340 of the Government Code,  
10 all moneys in the fund, including moneys deposited from lease  
11 payments or loan repayments, are continuously appropriated,  
12 without regard to fiscal years, to the Superintendent for expenditure  
13 pursuant to this article.

14 (3) Augmentations to the Child Care Facilities Revolving Fund  
15 made in the Budget Act of 2014 shall be used for loans for  
16 renovation or repair of existing local educational agency facilities  
17 to ensure those facilities meet applicable health and safety  
18 standards or the purchase of new relocatable child care facilities  
19 for lease to local educational agencies, for the purpose of expanding  
20 access to California state preschool program services pursuant to  
21 this chapter.

22 (b) On or before August 1 of each fiscal year, the Superintendent  
23 shall submit to the Department of Finance and the Legislative  
24 Analyst's Office a report detailing the number of funding requests  
25 received and their purpose, the types of agencies that received  
26 funding from the Child Care Facilities Revolving Fund, the  
27 increased capacity that these facilities generated, a description of  
28 the manner in which the facilities are being used, and a projection  
29 of the lease payments and loan repayments collected and the funds  
30 available for future use.

31 (c) A local educational agency that provides child care pursuant  
32 to the California School Age Families Education Program (Article  
33 7.1 (commencing with Section 54740) of Chapter 9 of Part 29 of  
34 Division 4 of Title 2) is eligible to apply for and receive funding  
35 pursuant to this section.

36 SEC. 2. Section 8357 of the Education Code is amended to  
37 read:

38 8357. (a) The cost of child care services provided under this  
39 article shall be governed by regional market rates. Recipients of  
40 child care services provided pursuant to this article shall be allowed

1 to choose the child care services of licensed child care providers  
2 or child care providers who are, by law, not required to be licensed,  
3 and the cost of that child care shall be reimbursed by counties or  
4 agencies that contract with the State Department of Education if  
5 the cost is within the regional market rate. For purposes of this  
6 section, “regional market rate” means care costing no more than  
7 1.5 market standard deviations above the mean cost of care for  
8 that region. The regional market rate ceilings shall be established  
9 at the 85th percentile of the 2005 regional market rate survey for  
10 that region. Commencing January 1, 2015, the regional market  
11 rate ceilings shall be established at the greater of either the 85th  
12 percentile of the 2009 regional market rate survey for that region,  
13 reduced by ~~9~~ 10.11 percent, or the 85th percentile of the 2005  
14 regional market rate survey for that region.

15 (b) Reimbursement to license-exempt child care providers shall  
16 not exceed 60 percent of the family child care home rate established  
17 pursuant to subdivision (a), effective July 1, 2011.

18 (c) Reimbursement to child care providers shall not exceed the  
19 fee charged to private clients for the same service.

20 (d) Reimbursement shall not be made for child care services  
21 when care is provided by parents, legal guardians, or members of  
22 the assistance unit.

23 (e) A child care provider located on an Indian reservation or  
24 rancheria and exempted from state licensing requirements shall  
25 meet applicable tribal standards.

26 (f) For purposes of this section, “reimbursement” means a direct  
27 payment to the provider of child care services, including  
28 license-exempt providers. If care is provided in the home of the  
29 recipient, payment may be made to the parent as the employer,  
30 and the parent shall be informed of his or her concomitant legal  
31 and financial reporting requirements. To allow time for the  
32 development of the administrative systems necessary to issue direct  
33 payments to providers, for a period not to exceed six months from  
34 the effective date of this article, a county or an alternative payment  
35 agency contracting with the State Department of Education may  
36 reimburse the cost of child care services through a direct payment  
37 to a recipient of aid rather than to the child care provider.

38 (g) Counties and alternative payment programs shall not be  
39 bound by the rate limits described in subdivision (a) when there  
40 are, in the region, no more than two child care providers of the



1 type needed by the recipient of child care services provided under  
2 this article.

3 (h) Notwithstanding any other law, reimbursements to child  
4 care providers based upon a daily rate may only be authorized  
5 under either of the following circumstances:

6 (1) A family has an unscheduled but documented need of six  
7 hours or more per occurrence, such as the parent's need to work  
8 on a regularly scheduled day off, that exceeds the certified need  
9 for child care.

10 (2) A family has a documented need of six hours or more per  
11 day that exceeds no more than 14 days per month. In no event shall  
12 reimbursements to a provider based on the daily rate over one  
13 month's time exceed the provider's equivalent full-time monthly  
14 rate or applicable monthly ceiling.

15 (3) This subdivision shall not limit providers from being  
16 reimbursed for services using a weekly or monthly rate, pursuant  
17 to subdivision (c) of Section 8222.

18 SEC. 3. Section 8447 of the Education Code is amended to  
19 read:

20 8447. (a) The Legislature hereby finds and declares that greater  
21 efficiencies may be achieved in the execution of state subsidized  
22 child care and development program contracts with public and  
23 private agencies by the timely approval of contract provisions by  
24 the Department of Finance, the Department of General Services,  
25 and the State Department of Education and by authorizing the State  
26 Department of Education to establish a multiyear application,  
27 contract expenditure, and service review as may be necessary to  
28 provide timely service while preserving audit and oversight  
29 functions to protect the public welfare.

30 (b) (1) The Department of Finance and the Department of  
31 General Services shall approve or disapprove annual contract  
32 funding terms and conditions, including both family fee schedules  
33 and regional market rate schedules that are required to be adhered  
34 to by contract, and contract face sheets submitted by the State  
35 Department of Education not more than 30 working days from the  
36 date of submission, unless unresolved conflicts remain between  
37 the Department of Finance, the State Department of Education,  
38 and the Department of General Services. The State Department of  
39 Education shall resolve conflicts within an additional 30 working  
40 day time period. Contracts and funding terms and conditions shall

1 be issued to child care contractors no later than June 1. Applications  
2 for new child care funding shall be issued not more than 45  
3 working days after the effective date of authorized new allocations  
4 of child care moneys.

5 (2) Notwithstanding paragraph (1), until January 1, 2015, the  
6 State Department of Education shall implement the regional market  
7 rate schedules based upon the county aggregates, as determined  
8 by the Regional Market survey conducted in 2005. Commencing  
9 January 1, 2015, the State Department of Education shall  
10 implement the regional market rate schedules based upon the 85th  
11 percentile of county aggregates, as determined by the Regional  
12 Market survey conducted in 2009. Commencing January 1, 2015,  
13 the regional market rate schedule developed pursuant to this  
14 paragraph shall be reduced by ~~9~~ 10.11 percent. If a ceiling for a  
15 county is less than the ceiling provided for that county before  
16 January 1, 2015, the State Department of Education shall use the  
17 ceiling from the Regional Market survey conducted in 2005.

18 (3) It is the intent of the Legislature to fully fund the third stage  
19 of child care for former CalWORKs recipients.

20 (c) With respect to subdivision (b), it is the intent of the  
21 Legislature that the Department of Finance annually review  
22 contract funding terms and conditions for the primary purpose of  
23 ensuring consistency between child care contracts and the child  
24 care budget. This review shall include evaluating any proposed  
25 changes to contract language or other fiscal documents to which  
26 the contractor is required to adhere, including those changes to  
27 terms or conditions that authorize higher reimbursement rates,  
28 modify related adjustment factors, modify administrative or other  
29 service allowances, or diminish fee revenues otherwise available  
30 for services, to determine if the change is necessary or has the  
31 potential effect of reducing the number of full-time equivalent  
32 children that may be served.

33 (d) Alternative payment child care systems, as set forth in Article  
34 3 (commencing with Section 8220), shall be subject to the rates  
35 established in the Regional Market Rate Survey of California Child  
36 Care Providers for provider payments. The State Department of  
37 Education shall contract to conduct and complete a Regional  
38 Market Rate Survey no more frequently than once every two years,  
39 consistent with federal regulations, with a goal of completion by  
40 March 1.

1 (e) By March 1 of each year, the Department of Finance shall  
2 provide to the State Department of Education the state median  
3 income amount for a four-person household in California based  
4 on the best available data. The State Department of Education shall  
5 adjust its fee schedule for child care providers to reflect this  
6 updated state median income; however, no changes based on  
7 revisions to the state median income amount shall be implemented  
8 midyear.

9 (f) Notwithstanding the June 1 date specified in subdivision (b),  
10 changes to the regional market rate schedules and fee schedules  
11 may be made at any other time to reflect the availability of accurate  
12 data necessary for their completion, provided these documents  
13 receive the approval of the Department of Finance. The Department  
14 of Finance shall review the changes within 30 working days of  
15 submission and the State Department of Education shall resolve  
16 conflicts within an additional 30 working day period. Contractors  
17 shall be given adequate notice before the effective date of the  
18 approved schedules. It is the intent of the Legislature that contracts  
19 for services not be delayed by the timing of the availability of  
20 accurate data needed to update these schedules.

21 SEC. 4. Section 8450 of the Education Code is amended to  
22 read:

23 8450. (a) All child development contractors are encouraged  
24 to develop and maintain a reserve within the child development  
25 fund, derived from earned but unexpended funds. Child  
26 development contractors may retain all earned funds. For purposes  
27 of this section, “earned funds” are those for which the required  
28 number of eligible service units have been provided.

29 (b) (1) Earned funds shall not be expended for activities  
30 proscribed by Section 8406.7. Earned but unexpended funds shall  
31 remain in the contractor’s reserve account within the child  
32 development fund and shall be expended only by direct service  
33 child development programs that are funded under contract with  
34 the department.

35 (2) (A) Commencing July 1, 2011, a contractor may retain a  
36 reserve fund balance, separate from the reserve fund retained  
37 pursuant to subdivision (c) or (d), equal to 5 percent of the sum of  
38 the maximum reimbursable amounts of all contracts to which the  
39 contractor is a party, or two thousand dollars (\$2,000), whichever  
40 is greater. This paragraph applies to direct service child

1 development contracting agencies that are funded under contract  
2 with the department and are not a California state preschool  
3 program contracting agency.

4 (B) A California state preschool program contracting agency  
5 may retain a reserve fund balance, separate from the reserve fund  
6 retained pursuant to subdivision (c) or (d), equal to 15 percent of  
7 the sum of the maximum reimbursable amounts of all contracts to  
8 which the contractor is a party, or two thousand dollars (\$2,000),  
9 whichever is greater. Of the 15 percent retained, 10 percent shall  
10 solely be used for purposes of professional development for  
11 California state preschool program instructional staff. This  
12 paragraph applies to California state preschool program contracting  
13 agencies that are funded under contract with the department.

14 (c) Notwithstanding subdivisions (a) and (b), a contractor may  
15 retain a reserve fund balance for a resource and referral program,  
16 separate from the balance retained pursuant to subdivision (b) or  
17 (d), not to exceed 3 percent of the contract amount. Funds from  
18 this reserve account may be expended only by resource and referral  
19 programs that are funded under contract with the department.

20 (d) Notwithstanding subdivisions (a) and (b), a contractor may  
21 retain a reserve fund balance for alternative payment model and  
22 certificate child care contracts, separate from the reserve fund  
23 retained pursuant to subdivisions (b) and (c). Funds from this  
24 reserve account may be expended only by alternative payment  
25 model and certificate child care programs that are funded under  
26 contract with the department. The reserve amount allowed by this  
27 section may not exceed either of the following, whichever is  
28 greater:

29 (1) Two percent of the sum of the parts of each contract to which  
30 that contractor is a party that is allowed for administration pursuant  
31 to Section 8276.7 and that is allowed for supportive services  
32 pursuant to the provisions of the contract.

33 (2) One thousand dollars (\$1,000).

34 (e) Each contractor's audit shall identify any funds earned by  
35 the contractor for each contract through the provision of contracted  
36 services in excess of funds expended.

37 (f) Any interest earned on reserve funds shall be included in the  
38 fund balance of the reserve. This reserve fund shall be maintained  
39 in an interest-bearing account.

1 (g) Moneys in a contractor’s reserve fund may be used only for  
2 expenses that are reasonable and necessary costs as defined in  
3 subdivision (n) of Section 8208.

4 (h) Any reserve fund balance in excess of the amount authorized  
5 pursuant to subdivisions (b), (c), and (d) shall be returned to the  
6 department pursuant to procedures established by the department.

7 (i) Upon termination of all child development contracts between  
8 a contractor and the department, all moneys in a contractor’s  
9 reserve fund shall be returned to the department pursuant to  
10 procedures established by the department.

11 (j) Expenditures from, additions to, and balances in, the reserve  
12 fund shall be included in the contracting agency’s annual financial  
13 statements and audit.

14 SEC. 5. Section 48000 of the Education Code is amended to  
15 read:

16 48000. (a) A child shall be admitted to a kindergarten  
17 maintained by the school district at the beginning of a school year,  
18 or at a later time in the same year if the child will have his or her  
19 fifth birthday on or before one of the following dates:

20 (1) December 2 of the 2011–12 school year.

21 (2) November 1 of the 2012–13 school year.

22 (3) October 1 of the 2013–14 school year.

23 (4) September 1 of the 2014–15 school year and each school  
24 year thereafter.

25 (b) The governing board of a school district maintaining one or  
26 more kindergartens may, on a case-by-case basis, admit to a  
27 kindergarten a child having attained the age of five years at any  
28 time during the school year with the approval of the parent or  
29 guardian, subject to the following conditions:

30 (1) The governing board determines that the admittance is in  
31 the best interests of the child.

32 (2) The parent or guardian is given information regarding the  
33 advantages and disadvantages and any other explanatory  
34 information about the effect of this early admittance.

35 (c) As a condition of receipt of apportionment for pupils in a  
36 transitional kindergarten program pursuant to Section 46300, a  
37 school district or charter school shall ensure the following:

38 (1) In the 2012–13 school year, a child who will have his or her  
39 fifth birthday between November 2 and December 2 shall be

1 admitted to a transitional kindergarten program maintained by the  
2 school district.

3 (2) In the 2013–14 school year, a child who will have his or her  
4 fifth birthday between October 2 and December 2 shall be admitted  
5 to a transitional kindergarten program maintained by the school  
6 district.

7 (3) In the 2014–15 school year and each school year thereafter,  
8 a child who will have his or her fifth birthday between September  
9 2 and December 2 shall be admitted to a transitional kindergarten  
10 program maintained by the school district.

11 (d) For purposes of this section, “transitional kindergarten”  
12 means the first year of a two-year kindergarten program that uses  
13 a modified kindergarten curriculum that is age and developmentally  
14 appropriate.

15 (e) A transitional kindergarten shall not be construed as a new  
16 program or higher level of service.

17 (f) It is the intent of the Legislature that transitional kindergarten  
18 curriculum be aligned to the California Preschool Learning  
19 Foundations developed by the department.

20 (g) As a condition of receipt of apportionment for pupils in a  
21 transitional kindergarten program pursuant to Section 46300, a  
22 school district or charter school shall ensure that credentialed  
23 teachers who are first assigned to a transitional kindergarten  
24 classroom after July 1, 2015, have, by August 1, 2020, one of the  
25 following:

26 (1) At least 24 units in early childhood education, or childhood  
27 development, or both.

28 (2) As determined by the local educational agency employing  
29 the teacher, professional experience in a classroom setting with  
30 preschool age children that is comparable to the 24 units of  
31 education described in paragraph (1).

32 (3) A child development teacher permit issued by the  
33 Commission on Teacher Credentialing.

34 SEC. 6. Section 51749.5 of the Education Code is amended to  
35 read:

36 51749.5. (a) Notwithstanding any other law, and commencing  
37 with the 2015–16 school year, a school district, charter school, or  
38 county office of education may, for pupils enrolled in kindergarten  
39 and grades 1 to 12, inclusive, provide independent study courses  
40 pursuant to the following conditions:

1 (1) The governing board or body of a participating school  
2 district, charter school, or county office of education adopts  
3 policies, at a public meeting, that comply with the requirements  
4 of this section and any applicable regulations adopted by the state  
5 board.

6 (2) A signed learning agreement is completed and on file  
7 pursuant to Section 51749.6.

8 (3) Courses are taught under the general supervision of  
9 certificated employees who hold the appropriate subject matter  
10 credential pursuant to Section 44300 or 44865, or subdivision (I)  
11 of Section 47605, meet the requirements for highly qualified  
12 teachers pursuant to the federal No Child Left Behind Act of 2001  
13 (20 U.S.C. Sec. 6301 et seq.), and are employed by the school  
14 district, charter school, or county office of education at which the  
15 pupil is enrolled, or by a school district, charter school, or county  
16 office of education that has a memorandum of understanding to  
17 provide the instruction in coordination with the school district,  
18 charter school, or county office of education at which the pupil is  
19 enrolled.

20 (4) (A) Courses are annually certified, by school district, charter  
21 school, or county office of education governing board or body  
22 resolution, to be of the same rigor and educational quality as  
23 equivalent classroom-based courses, and shall be aligned to all  
24 relevant local and state content standards.

25 (B) This certification shall, at a minimum, include the duration,  
26 number of equivalent daily instructional minutes for each schoolday  
27 that a pupil is enrolled, number of equivalent total instructional  
28 minutes, and number of course credits for each course. This  
29 information shall be consistent with that of equivalent  
30 classroom-based courses.

31 (5) Pupils enrolled in courses authorized by this section shall  
32 meet the applicable age requirements established pursuant to  
33 Sections 46300.1, 46300.4, 47612, and 47612.1.

34 (6) Pupils enrolled in courses authorized by this section shall  
35 meet the applicable residency and enrollment requirements  
36 established pursuant to Sections 46300.2, 47612, 48204, and  
37 51747.3.

38 (7) (A) Certificated employees and each pupil shall communicate  
39 in person, by telephone, or by any other live visual or audio

1 connection no less than twice per calendar month to assess whether  
2 each pupil is making satisfactory educational progress.

3 (B) For purposes of this section, satisfactory educational  
4 progress includes, but is not limited to, applicable statewide  
5 accountability measures and the completion of assignments,  
6 examinations, or other indicators that evidence that the pupil is  
7 working on assignments, learning required concepts, and  
8 progressing toward successful completion of the course, as  
9 determined by certificated employees providing instruction.

10 (C) If satisfactory educational progress is not being made,  
11 certificated employees providing instruction shall notify the pupil  
12 and, if the pupil is less than 18 years of age, the pupil's parent or  
13 legal guardian, and conduct an evaluation to determine whether it  
14 is in the best interest of the pupil to remain in the course or whether  
15 he or she should be referred to an alternative program, which may  
16 include, but is not limited to, a regular school program. A written  
17 record of the findings of an evaluation made pursuant to this  
18 subdivision shall be treated as a mandatory interim pupil record.  
19 The record shall be maintained for a period of three years from  
20 the date of the evaluation and, if the pupil transfers to another  
21 California public school, the record shall be forwarded to that  
22 school.

23 (D) Written or computer-based evidence of satisfactory  
24 educational progress, as defined in subparagraph (B), shall be  
25 retained for each course and pupil. At a minimum, this evidence  
26 shall include a grade book or summary document that, for each  
27 course, lists all assignments, examinations, and associated grades.

28 (8) A proctor shall administer examinations.

29 (9) (A) Statewide testing results for pupils enrolled in any course  
30 authorized pursuant to this section shall be reported and assigned  
31 to the school or charter school at which the pupil is enrolled, and  
32 to any school district, charter school, or county office of education  
33 within which that school's or charter school's testing results are  
34 aggregated.

35 (B) Statewide testing results for pupils enrolled in a course or  
36 courses pursuant to this section shall be disaggregated for purposes  
37 of comparing the testing results of those pupils to the testing results  
38 of pupils enrolled in classroom-based courses.

39 (10) A pupil shall not be required to enroll in courses authorized  
40 by this section.



1 (11) The pupil-to-certificated-employee ratio limitations  
2 established pursuant to Section 51745.6 are applicable to courses  
3 authorized by this section.

4 (12) For each pupil, the combined equivalent daily instructional  
5 minutes for enrolled courses authorized by this section and enrolled  
6 courses authorized by all other laws and regulations shall meet the  
7 minimum instructional day requirements applicable to the local  
8 educational agency. Pupils enrolled in courses authorized by this  
9 section shall be offered the minimum annual total equivalent  
10 instructional minutes pursuant to Sections 46200 to 46208,  
11 inclusive, and Section 47612.5.

12 (13) Courses required for high school graduation or for  
13 admission to the University of California or California State  
14 University shall not be offered exclusively through independent  
15 study.

16 (14) A pupil participating in independent study shall not be  
17 assessed a fee prohibited by Section 49011.

18 (15) A pupil shall not be prohibited from participating in  
19 independent study solely on the basis that he or she does not have  
20 the materials, equipment, or Internet access that are necessary to  
21 participate in the independent study course.

22 (b) For purposes of computing average daily attendance for  
23 each pupil enrolled in one or more courses authorized by this  
24 section, the following computations shall apply:

25 (1) (A) For each schoolday, add the combined equivalent daily  
26 instructional minutes, as certified in paragraph (4) of subdivision  
27 (a), for courses authorized by this section in which the pupil is  
28 enrolled.

29 (B) For each schoolday, add the combined daily instructional  
30 minutes of courses authorized by all other laws and regulations in  
31 which the pupil is enrolled and for which the pupil meets applicable  
32 attendance requirements.

33 (C) For each schoolday, add the sum of subparagraphs (A) and  
34 (B).

35 (2) If subparagraph (C) of paragraph (1) meets applicable  
36 minimum schoolday requirements for each schoolday, and all other  
37 requirements in this section have been met, credit each schoolday  
38 that the pupil is demonstrating satisfactory educational progress  
39 pursuant to the requirements of this section, with up to one  
40 schoolday of attendance.

1 (3) (A) Using credited schoolday attendance pursuant to  
2 paragraph (2), calculate average daily attendance pursuant to  
3 Section 41601 or 47612, whichever is applicable, for each pupil.

4 (B) The average daily attendance computed pursuant to this  
5 subdivision shall not result in more than one unit of average daily  
6 attendance per pupil.

7 (4) Notwithstanding any other law, average daily attendance  
8 computed for pupils enrolled in courses authorized by this section  
9 shall not be credited with average daily attendance other than what  
10 is specified in this section.

11 (5) If more than 10 percent of the total average daily attendance  
12 of a school district, charter school, or county office of education  
13 is claimed pursuant to this section, then the amount of average  
14 daily attendance for all pupils enrolled by that school district,  
15 charter school, or county office of education in courses authorized  
16 pursuant to this section that is in excess of 10 percent of the total  
17 average daily attendance for the school district, charter school, or  
18 county office of education shall be reduced by either (A) the  
19 statewide average rate of absence for elementary school districts  
20 for kindergarten and grades 1 to 8, inclusive, or (B) the statewide  
21 average rate of absence for high school districts for grades 9 to  
22 12, inclusive, as applicable, as calculated by the department for  
23 the prior fiscal year, with the resultant figures and ranges rounded  
24 to the nearest 10th.

25 (c) For purposes of this section, “equivalent total instructional  
26 minutes” means the same number of minutes as required for an  
27 equivalent classroom-based course.

28 (d) Nothing in this section shall be deemed to prohibit the right  
29 to collectively bargain any subject within the scope of  
30 representation pursuant to Section 3543.2 of the Government Code.

31 (e) (1) The Superintendent shall conduct an evaluation of  
32 independent study courses offered pursuant to this section and  
33 report the findings to the Legislature and the Director of Finance  
34 no later than September 1, 2019. The report shall, at a minimum,  
35 compare the academic performance of pupils in independent study  
36 with demographically similar pupils enrolled in equivalent  
37 classroom-based courses.

38 (2) The requirement for submitting a report imposed under  
39 paragraph (1) is inoperative on September 1, 2023, pursuant to  
40 Section 10231.5 of the Government Code.

1 (3) A report to be submitted pursuant to paragraph (1) shall be  
2 submitted in compliance with Section 9795 of the Government  
3 Code.

4 SEC. 7. Section 53012 of the Education Code is amended to  
5 read:

6 53012. A grant recipient under this chapter may be a school  
7 district, county office of education, direct-funded charter school,  
8 regional occupational center or program operated by a joint powers  
9 authority, or community college district.

10 SEC. 8. Section 84754.6 of the Education Code is amended to  
11 read:

12 84754.6. (a) The Chancellor of the California Community  
13 Colleges, in coordination with community college stakeholder  
14 groups, the appropriate fiscal and policy committees of the  
15 Legislature, and the Department of Finance, shall develop, and the  
16 board of governors shall adopt, a framework of indicators designed  
17 to measure the ongoing condition of a community college's  
18 operational environment in the following areas:

- 19 (1) Accreditation status.
- 20 (2) Fiscal viability.
- 21 (3) Student performance and outcomes.
- 22 (4) Programmatic compliance with state and federal guidelines.

23 (b) As a condition of receipt of funds appropriated for purposes  
24 of Article 1 (commencing with Section 78210) of Chapter 2 of  
25 Part 48, each community college within a community college  
26 district shall develop, adopt, and publicly post a goals framework  
27 that addresses at least all of the areas specified in subdivision (a).  
28 The development of the goals framework shall be guided by the  
29 statewide goals outlined in Section 66010.91. It is the intent of the  
30 Legislature that these goals be challenging and quantifiable, address  
31 achievement gaps for underrepresented populations, and align the  
32 educational attainment of California's adult population to the  
33 workforce and economic needs of the state, pursuant to the  
34 legislative intent expressed in Section 66010.93.

35 (c) The board of governors shall annually develop, adopt, and  
36 publicly post a systemwide goals framework that addresses at least  
37 all of the areas specified in subdivision (a). The development of  
38 the systemwide goals shall be guided by the statewide goals set  
39 forth in Section 66010.91. It is the intent of the Legislature that  
40 these goals be challenging and quantifiable, address achievement

1 gaps for underrepresented populations, and align the educational  
2 attainment of California’s adult population to the workforce and  
3 economic needs of the state, pursuant to the legislative intent  
4 expressed in Section 66010.93.

5 (d) Before the commencement of the 2015–16 fiscal year, and  
6 before the commencement of each fiscal year thereafter, the  
7 Chancellor of the California Community Colleges shall publicly  
8 post both of the following:

9 (1) Annually developed systemwide goals adopted by the board  
10 of governors.

11 (2) Locally developed and adopted community college or  
12 community college district goals and targets.

13 (e) Subject to the availability of funding in the annual Budget  
14 Act, the board of governors and the Chancellor of the California  
15 Community Colleges shall assess the degree to which each  
16 community college district is improving its outcomes in regard to  
17 the areas specified in subdivision (a) and any additional issues  
18 addressed in the goals frameworks described in subdivision (b),  
19 and shall offer technical assistance to community college districts  
20 that are not improving.

21 (f) If a community college district is receiving technical  
22 assistance pursuant to subdivision (e), the community college  
23 district shall submit a turnaround plan that details all of the  
24 following:

25 (1) The problem the technical assistance is attempting to solve.

26 (2) How the identified problem will be addressed in a plan  
27 adopted by the governing board of the community college district.

28 (3) A timetable of major milestones for improvement.

29 (4) Updates that will be submitted to the Chancellor of the  
30 California Community Colleges on the outcomes in regard to those  
31 milestones, as scheduled by the chancellor.

32 SEC. 9. Section 89295 of the Education Code is amended to  
33 read:

34 89295. (a) For purposes of this section, the following terms  
35 are defined as follows:

36 (1) The “four-year graduation rate” means the percentage of a  
37 cohort of undergraduate students who entered the university as  
38 freshmen at any campus and graduated from any campus within  
39 four years.

1 (2) The “six-year graduation rate” means the percentage of a  
2 cohort of undergraduate students who entered the university as  
3 freshmen at any campus and graduated from any campus within  
4 six years.

5 (3) The “two-year transfer graduation rate” means the percentage  
6 of a cohort of undergraduate students who entered the university  
7 at any campus as junior-level transfer students from the California  
8 Community Colleges and graduated from any campus within two  
9 years.

10 (4) The “three-year transfer graduation rate” means the  
11 percentage of a cohort of undergraduate students who entered the  
12 university as junior-level transfer students from the California  
13 Community Colleges at any campus and graduated from any  
14 campus within three years.

15 (5) The “four-year transfer graduation rate” means the  
16 percentage of a cohort of undergraduate students who entered the  
17 university as junior-level transfer students from the California  
18 Community Colleges at any campus and graduated from any  
19 campus within four years.

20 (6) “Low-income student” means an undergraduate student who  
21 has an expected family contribution, as defined in subdivision (g)  
22 of Section 69432.7, at any time during the student’s matriculation  
23 at the institution that would qualify the student to receive a federal  
24 Pell Grant. The calculation of a student’s expected family  
25 contribution shall be based on the Free Application for Federal  
26 Student Aid (FAFSA) application or an application determined by  
27 the California Student Aid Commission to be equivalent to the  
28 FAFSA application submitted by that applicant.

29 (b) Commencing with the 2013–14 academic year, the California  
30 State University shall report, by March 15 of each year, on the  
31 following performance measures for the preceding academic year,  
32 to inform budget and policy decisions and promote the effective  
33 and efficient use of available resources:

34 (1) The number of California community college transfer  
35 students enrolled and the percentage of California community  
36 college transfer students as a proportion of the total number of  
37 undergraduate students enrolled.

38 (2) The number of new California community college transfer  
39 students enrolled and the percentage of new California community

1 college transfer students as a proportion of the total number of  
2 new undergraduate students enrolled.

3 (3) The number of low-income students enrolled and the  
4 percentage of low-income students as a proportion of the total  
5 number of undergraduate students enrolled.

6 (4) The number of new low-income students enrolled and the  
7 percentage of low-income students as a proportion of the total  
8 number of new undergraduate students enrolled.

9 (5) The four-year graduation rate for students who entered the  
10 university four years prior and, separately, for low-income students  
11 in that cohort.

12 (6) The four-year and six-year graduation rates for students who  
13 entered the university six years prior and, separately, for  
14 low-income students in that cohort.

15 (7) The two-year transfer graduation rate for students who  
16 entered the university two years prior and, separately, for  
17 low-income students in that cohort.

18 (8) The two-year and three-year transfer graduation rates for  
19 students who entered the university three years prior and,  
20 separately, for low-income students in that cohort.

21 (9) The two-year, three-year, and four-year transfer graduation  
22 rates for students who entered the university four years prior and,  
23 separately, for low-income students in that cohort.

24 (10) The number of degree completions annually, in total and  
25 for the following categories:

26 (A) Freshman entrants.

27 (B) California community college transfer students.

28 (C) Graduate students.

29 (D) Low-income students.

30 (11) The percentage of freshman entrants who have earned  
31 sufficient course credits by the end of their first year of enrollment  
32 to indicate that they will graduate within four years.

33 (12) The percentage of California community college transfer  
34 students who have earned sufficient course credits by the end of  
35 their first year of enrollment to indicate that they will graduate  
36 within two years.

37 (13) For all students, the total amount of funds received from  
38 all sources identified in subdivision (c) of Section 89290 for the  
39 year, divided by the number of degrees awarded that same year.

1 (14) For undergraduate students, the total amount of funds  
2 received from all sources identified in subdivision (c) of Section  
3 89290 for the year expended for undergraduate education, divided  
4 by the number of undergraduate degrees awarded that same year.

5 (15) The average number of California State University course  
6 credits and the total course credits, including credits accrued at  
7 other institutions, accumulated by all undergraduate students who  
8 graduated, and separately for freshman entrants and California  
9 community college transfer students.

10 (16) (A) The number of degree completions in science,  
11 technology, engineering, and mathematics (STEM) fields, in total,  
12 and separately for undergraduate students, graduate students, and  
13 low-income students.

14 (B) For purposes of subparagraph (A), “STEM fields” include,  
15 but are not necessarily limited to, all of the following: computer  
16 and information sciences, engineering and engineering  
17 technologies, biological and biomedical sciences, mathematics  
18 and statistics, physical sciences, and science technologies.

19 (c) It is the intent of the Legislature that the appropriate policy  
20 and fiscal committees of the Legislature review these performance  
21 measures in a collaborative process with the Department of  
22 Finance, the Legislative Analyst’s Office, individuals with  
23 expertise in statewide accountability efforts, the University of  
24 California, the California State University, and, for purposes of  
25 data integrity and consistency, the California Community Colleges,  
26 and consider any recommendations for their modification and  
27 refinement. It is further the intent of the Legislature that any  
28 modification or refinement of these measures be guided by the  
29 legislative intent expressed in Section 66010.93.

30 SEC. 10. Section 92495 of the Education Code is amended to  
31 read:

32 92495. (a) (1) Commencing with the 2013–14 fiscal year and  
33 for each fiscal year thereafter, if the University of California plans  
34 to use any of its support appropriation in the annual budget for the  
35 subsequent fiscal year for capital expenditures pursuant to Section  
36 92493, as defined in paragraph (1) of subdivision (b) of that  
37 section, or for capital outlay projects pursuant to Section 92494,  
38 as defined in paragraph (1) of subdivision (b) of that section, it  
39 shall simultaneously submit, on or before September 1, 10 months  
40 before the commencement of that fiscal year, a report to the

1 committees in each house of the Legislature that consider the  
2 annual State Budget, the budget subcommittees in each house of  
3 the Legislature that consider appropriations for the University of  
4 California, and the Department of Finance.

5 (2) The report shall detail the scope of capital expenditures or  
6 capital outlay projects and how the capital expenditures or capital  
7 outlay projects will be funded, and it shall provide the same level  
8 of detail as a capital outlay budget change proposal.

9 (3) The Department of Finance shall review the report and  
10 submit, by February 1, a list of preliminarily approved capital  
11 expenditures and capital outlay projects to the committees in each  
12 house of the Legislature that consider the annual State Budget and  
13 the budget subcommittees in each house of the Legislature that  
14 consider appropriations for the University of California. These  
15 committees may review and respond to the list of preliminarily  
16 approved capital expenditures and capital outlay projects before  
17 April 1.

18 (4) The Department of Finance shall submit a final list of  
19 approved capital expenditures and capital outlay projects to the  
20 University of California no earlier than April 1, three months before  
21 the commencement of the fiscal year of the planned expenditures.

22 (b) The Department of Finance may approve capital expenditures  
23 defined in paragraph (3) of subdivision (b) of Section 92493, or  
24 capital outlay projects defined in paragraph (2) of subdivision (b)  
25 of Section 92494, no sooner than 30 days after submitting, in  
26 writing, a list of capital expenditures and capital outlay projects  
27 being considered for approval to the chairpersons of the committees  
28 in each house of the Legislature that consider appropriations, the  
29 chairpersons of the committees and the appropriate subcommittees  
30 in each house of the Legislature that consider the State Budget,  
31 and the Chairperson of the Joint Legislative Budget Committee.

32 (c) The University of California shall not use its General Fund  
33 support appropriation to fund a capital expenditure defined in  
34 paragraph (1) or (3) of subdivision (b) of Section 92493, or capital  
35 outlay project defined in subdivision (b) of Section 92494, before  
36 receiving approval from the Department of Finance pursuant to  
37 this section.

38 (d) (1) For the 2013–14 fiscal year only, if the University of  
39 California plans to use any of its support appropriation in the  
40 annual budget for the 2013–14 fiscal year for capital expenditures



1 pursuant to Section 92493, as defined in paragraph (1) of  
2 subdivision (b) of that section, or for capital outlay projects  
3 pursuant to Section 92494, it shall simultaneously submit, on or  
4 before August 1 of that fiscal year, a report to the Joint Legislative  
5 Budget Committee and the Department of Finance. This report  
6 shall detail the scope of each capital outlay project or capital  
7 expenditure and how it will be funded, and it shall provide the  
8 same level of detail as a capital outlay budget change proposal.

9 (2) The Department of Finance shall review the report and  
10 submit a list of preliminarily approved projects to the Joint  
11 Legislative Budget Committee by November 1 of that fiscal year.

12 (3) The Department of Finance shall submit a final list of  
13 approved projects to the University of California no earlier than  
14 December 1 of that fiscal year.

15 (4) The University of California shall not proceed with any  
16 capital expenditures pursuant to Section 92493, as defined in  
17 paragraph (1) of subdivision (b) of that section, or capital outlay  
18 projects pursuant to Section 92494, before receiving approval from  
19 the Department of Finance pursuant to this subdivision.

20 (e) Notwithstanding subdivision (b), the University of California  
21 may use the authority provided in Section 92493 for the Merced  
22 Classroom and Academic Office Building, as specified in Provision  
23 3 of Item 6440-001-0001 of Section 2.00 of the Budget Act of  
24 2013.

25 (f) Notwithstanding Section 10231.5 of the Government Code,  
26 commencing with the 2014–15 fiscal year, on or before February  
27 1 of each fiscal year, the University of California shall  
28 simultaneously submit a progress report to the Joint Legislative  
29 Budget Committee and the Department of Finance detailing the  
30 scope, funding, and current status of all capital expenditures  
31 undertaken pursuant to Section 92493 and for all capital outlay  
32 projects undertaken pursuant to Section 92494.

33 SEC. 11. Section 92675 of the Education Code is amended to  
34 read:

35 92675. (a) For purposes of this section, the following terms  
36 are defined as follows:

37 (1) The “four-year graduation rate” means the percentage of a  
38 cohort of undergraduate students who entered the university as  
39 freshmen at any campus and graduated from any campus within  
40 four years.

1 (2) The “two-year transfer graduation rate” means the percentage  
2 of a cohort of undergraduate students who entered the university  
3 at any campus as junior-level transfer students from the California  
4 Community Colleges and graduated from any campus within two  
5 years.

6 (3) “Low-income student” means an undergraduate student who  
7 has an expected family contribution, as defined in subdivision (g)  
8 of Section 69432.7, at any time during the student’s matriculation  
9 at the institution that would qualify the student to receive a federal  
10 Pell Grant. The calculation of a student’s expected family  
11 contribution shall be based on the Free Application for Federal  
12 Student Aid (FAFSA) application or an application determined by  
13 the California Student Aid Commission to be equivalent to the  
14 FAFSA application submitted by that applicant.

15 (b) Commencing with the 2013–14 academic year, the  
16 University of California shall report, by March 15 of each year,  
17 on the following performance measures for the preceding academic  
18 year, to inform budget and policy decisions and promote the  
19 effective and efficient use of available resources:

20 (1) The number of transfer students enrolled from the California  
21 Community Colleges, and the percentage of California community  
22 college transfer students as a proportion of the total number of  
23 undergraduate students enrolled.

24 (2) The number of new transfer students enrolled from the  
25 California Community Colleges, and the percentage of California  
26 community college transfer students as a proportion of the total  
27 number of new undergraduate students enrolled.

28 (3) The number of low-income students enrolled and the  
29 percentage of low-income students as a proportion of the total  
30 number of undergraduate students enrolled.

31 (4) The number of new low-income students enrolled and the  
32 percentage of low-income students as a proportion of the total  
33 number of new undergraduate students enrolled.

34 (5) The four-year graduation rate for students who entered the  
35 university four years prior and, separately, for low-income students  
36 in that cohort.

37 (6) The two-year transfer graduation rate for students who  
38 entered the university two years prior and, separately, for  
39 low-income students in that cohort.

1 (7) The number of degree completions, in total and for the  
2 following categories:

3 (A) Freshman entrants.

4 (B) California community college transfer students.

5 (C) Graduate students.

6 (D) Low-income students.

7 (8) The percentage of freshman entrants who have earned  
8 sufficient course credits by the end of their first year of enrollment  
9 to indicate they will graduate within four years.

10 (9) The percentage of California community college transfer  
11 students who have earned sufficient course credits by the end of  
12 their first year of enrollment to indicate they will graduate within  
13 two years.

14 (10) For all students, the total amount of funds received from  
15 all sources identified in subdivision (c) of Section 92670 for the  
16 year, divided by the number of degrees awarded that same year.

17 (11) For undergraduate students, the total amount of funds  
18 received from the sources identified in subdivision (c) of Section  
19 92670 for the year expended for undergraduate education, divided  
20 by the number of undergraduate degrees awarded that same year.

21 (12) The average number of University of California course  
22 credits and total course credits, including credit accrued at other  
23 institutions, accumulated by all undergraduate students who  
24 graduated, and separately for freshman entrants and California  
25 community college transfer students.

26 (13) (A) The number of degree completions in science,  
27 technology, engineering, and mathematics (STEM) fields, in total,  
28 and separately for undergraduate students, graduate students, and  
29 low-income students.

30 (B) For purposes of subparagraph (A), “STEM fields” include,  
31 but are not necessarily limited to, all of the following: computer  
32 and information sciences, engineering and engineering  
33 technologies, biological and biomedical sciences, mathematics  
34 and statistics, physical sciences, and science technologies.

35 (c) It is the intent of the Legislature that the appropriate policy  
36 and fiscal committees of the Legislature review these performance  
37 measures in a collaborative process with the Department of  
38 Finance, the Legislative Analyst’s Office, individuals with  
39 expertise in statewide accountability efforts, the University of  
40 California, the California State University, and, for purposes of

1 data integrity and consistency, the California Community Colleges,  
2 and consider any recommendations for their modification and  
3 refinement. It is further the intent of the Legislature that any  
4 modification or refinement of these measures be guided by the  
5 legislative intent expressed in Section 66010.93.

6 SEC. 12. Section 10502 of the Public Contract Code is amended  
7 to read:

8 10502. The Regents of the University of California shall give  
9 public notice of a project to bidders by publication twice within  
10 the 60-day period preceding the day set for the receiving of bids  
11 as follows:

12 (a) Either in one newspaper of general circulation published in  
13 the county in which the major portion of the project is located and  
14 in one such trade paper circulated in the county in which the major  
15 portion of the work is to be done or electronically on the Internet  
16 Web site of the university.

17 (b) The notices shall state the time and place for the receiving  
18 and opening of sealed bids, describe in general terms the work to  
19 be done, and describe the bidding mode by which the lowest  
20 responsible bidder will be selected.

21 SEC. 13. (a) Of the moneys appropriated in Item  
22 6110-196-0001 of the Budget Act of 2014, the sum of fifteen  
23 million dollars (\$15,000,000) shall be allocated to the State  
24 Department of Education to be used to fund professional  
25 development stipends for teachers, to be administered by local  
26 planning councils established pursuant to Chapter 2.3 (commencing  
27 with Section 8499) of Part 6 of Division 1 of Title 1 of the  
28 Education Code. The funds shall be allocated as follows:

29 (1) (A) First priority shall be for professional development  
30 stipends for transitional kindergarten teachers.

31 (B) For purposes of this paragraph, professional development  
32 stipends shall include, but shall not be limited to, stipends for  
33 credentialed teachers to complete at least 24 units in early  
34 childhood education or childhood development, or a combination  
35 of both, pursuant to paragraph (1) of subdivision (g) of Section  
36 48000 of the Education Code.

37 (2) Second priority shall be for professional development  
38 stipends for teachers in the California state preschool program,  
39 pursuant to Article 7 (commencing with Section 8235) of Chapter  
40 2 of Part 6 of Division 1 of Title 1 of the Education Code for the

1 costs of credit bearing coursework in early childhood education,  
2 child development, or both.

3 (b) For purposes of making the computations required by Section  
4 8 of Article XVI of the California Constitution, the allocations for  
5 professional development activities pursuant to this section are  
6 “General Fund revenues appropriated for school districts,” as  
7 defined in subdivision (c) of Section 41202 of the Education Code,  
8 for the 2014–15 fiscal year, and included within the “total  
9 allocations to school districts and community college districts from  
10 General Fund proceeds of taxes appropriated pursuant to Article  
11 XIII B,” as defined in subdivision (e) of Section 41202 of the  
12 Education Code, for that fiscal year.

13 SEC. 14. If the Commission on State Mandates determines  
14 that this act contains costs mandated by the state, reimbursement  
15 to local agencies and school districts for those costs shall be made  
16 pursuant to Part 7 (commencing with Section 17500) of Division  
17 4 of Title 2 of the Government Code.

18 SEC. 15. This act is a bill providing for appropriations related  
19 to the Budget Bill within the meaning of subdivision (e) of Section  
20 12 of Article IV of the California Constitution, has been identified  
21 as related to the budget in the Budget Bill, and shall take effect  
22 immediately.