

AMENDED IN ASSEMBLY MAY 23, 2014

AMENDED IN ASSEMBLY MAY 1, 2014

AMENDED IN ASSEMBLY MARCH 28, 2014

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

**ASSEMBLY BILL**

**No. 2216**

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**Introduced by Assembly Member Muratsuchi**

February 20, 2014

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An act to amend Section 42238.03 of the Education Code, relating to regional occupational centers and programs.

LEGISLATIVE COUNSEL'S DIGEST

AB 2216, as amended, Muratsuchi. Regional occupational centers and programs: funding.

Existing law authorizes the county superintendent of schools of each county, with the consent of the State Board of Education, to establish and maintain a regional occupational center, or regional occupational program, in the county to provide education and training in career technical courses. Existing law also authorizes the governing boards of any school district maintaining high schools in the county, with the consent of the state board and county superintendent of schools, to cooperate in the establishment and maintenance of a regional occupational center or program, except as specified, and authorizes the establishment and maintenance of a regional occupational center or program by 2 or more school districts to be undertaken pursuant to a joint powers authority. Existing law ~~provides~~ *requires* that, for the 2013–14 and 2014–15 fiscal years only, of the funds a school district receives for purposes of regional occupational centers or ~~programs~~ *programs*, the school district ~~shall~~ expend no less than the amount of

funds the school district expended for purposes of regional occupational centers or programs in the 2012–13 fiscal year.

This bill would extend that expenditure requirement to the 2016–17 fiscal year. ~~The bill would require the Superintendent to convene a task force to study funding models for regional occupational centers and programs and report recommended options pursuant to the findings of its study to the Legislature and Director of Finance on or before September 1, 2016.~~

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

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

- 1     SECTION 1. ~~(a) The Legislature finds and declares all of the~~
- 2     ~~following:~~
- 3         ~~(1) A foundational principle in the Education Code is that all~~
- 4     ~~pupils shall have access to equitable educational opportunities and~~
- 5     ~~resources.~~
- 6         ~~(2) The future of California is dependent upon minimizing, if~~
- 7     ~~not entirely alleviating, inequities in public schools so that all~~
- 8     ~~pupils will have equitable opportunities to learn skills needed for~~
- 9     ~~entry into the workforce, pursue postsecondary educational goals,~~
- 10    ~~and contribute to the social cohesion of the state.~~
- 11        ~~(3) High-quality career technical education (CTE) programs~~
- 12    ~~contribute to pupils' academic and career achievement by allowing~~
- 13    ~~pupils to smoothly enter the workforce or postsecondary education.~~
- 14        ~~(4) Current law authorizes CTE courses as an option for pupils~~
- 15    ~~to satisfy the high school graduation requirement to complete a~~
- 16    ~~course in visual or performing arts or foreign language.~~
- 17        ~~(5) High-quality CTE programs, including regional occupational~~
- 18    ~~centers and programs (ROCPs), have served as a major component~~
- 19    ~~to California's workforce preparation system for the past 35 years.~~
- 20        ~~(6) Studies have shown that pupils who participate in ROCPs~~
- 21    ~~have improved high school grade point averages, have higher 12th~~
- 22    ~~grade attendance rates, and have enrolled in postsecondary~~
- 23    ~~educational programs in greater numbers.~~
- 24        ~~(7) Regionalization and coordination with local educational~~
- 25    ~~agencies, community colleges, and industry allow CTE programs~~
- 26    ~~to efficiently use limited resources to provide pupils with a broad~~

1 array of training opportunities, use of expensive technical  
2 equipment, and specially trained and experienced instructors.

3 ~~(8) Despite the long-standing priority the Legislature has given~~  
4 ~~to CTE programs, in last year alone, high school CTE program~~  
5 ~~enrollment has dropped by over 100,000 pupils, which is over 12~~  
6 ~~percent, and California has lost 19.6 percent of its high school~~  
7 ~~CTE instructors.~~

8 ~~(9) High-quality CTE programs are one of the most difficult~~  
9 ~~programs to rebuild if they are dismantled.~~

10 ~~(b) It is the intent of the Legislature to enact legislation that~~  
11 ~~would promote and support high-quality CTE programs, including,~~  
12 ~~but not limited to, ROCPs, linked learning, partnership academies,~~  
13 ~~and career pathway programs, to help prepare and engage pupils~~  
14 ~~for transition to postsecondary educational opportunities and the~~  
15 ~~workforce.~~

16 ~~SEC. 2.~~

17 *SECTION 1.* Section 42238.03 of the Education Code is  
18 amended to read:

19 42238.03. (a) Commencing with the 2013–14 fiscal year and  
20 each fiscal year thereafter, the Superintendent shall calculate a  
21 base entitlement for the transition to the local control funding  
22 formula for each school district and charter school equal to the  
23 sum of the amounts computed pursuant to paragraphs (1) to (4),  
24 inclusive. The amounts computed pursuant to paragraphs (1) to  
25 (4), inclusive, shall be continuously appropriated pursuant to  
26 Section 14002.

27 (1) The current fiscal year base entitlement funding level shall  
28 be the sum of all of the following:

29 (A) For school districts, revenue limits in the 2012–13 fiscal  
30 year as computed pursuant to Article 2 (commencing with Section  
31 42238), as that article read on January 1, 2013, divided by the  
32 2012–13 average daily attendance of the school district computed  
33 pursuant to Section 42238.05. That quotient shall be multiplied  
34 by the current fiscal year average daily attendance of the school  
35 district computed pursuant Section 42238.05. A school district's  
36 2012–13 fiscal year revenue limit funding shall exclude amounts  
37 computed pursuant to Article 4 (commencing with Section 42280).

38 (B) (i) For charter schools, general purpose funding as  
39 computed pursuant to Article 2 (commencing with Section 47633)  
40 of Chapter 6, as that article read on January 1, 2013, and the

1 amount of in-lieu property tax provided to the charter school  
2 pursuant to Section 47635, as that section read on June 30, 2013,  
3 divided by the 2012–13 average daily attendance of the charter  
4 school computed pursuant to Section 42238.05. That quotient shall  
5 be multiplied by the current fiscal year average daily attendance  
6 of the charter school computed pursuant to Section 42238.05.

7 (ii) The amount computed pursuant to clause (i) shall exclude  
8 funds received by a charter school pursuant to Section 47634.1,  
9 as that section read on January 1, 2013.

10 (C) The amount computed pursuant to subparagraph (A) shall  
11 exclude funds received pursuant to Section 47633, as that section  
12 read on January 1, 2013.

13 (D) For school districts, funding for qualifying necessary small  
14 high schools and necessary small elementary schools shall be  
15 adjusted to reflect the funding levels that correspond to the 2012–13  
16 necessary small high school and necessary small elementary school  
17 allowances pursuant Article 4 (commencing with Section 42280)  
18 and Section 42238.146, as those provisions read on January 1,  
19 2013.

20 (2) Entitlements from items contained in Section 2.00, as  
21 adjusted pursuant to Section 12.42, of the Budget Act of 2012 for  
22 Items 6110-104-0001, 6110-105-0001, 6110-108-0001,  
23 6110-111-0001, 6110-124-0001, 6110-128-0001, 6110-137-0001,  
24 6110-144-0001, 6110-156-0001, 6110-181-0001, 6110-188-0001,  
25 6110-189-0001, 6110-190-0001, 6110-193-0001, 6110-195-0001,  
26 6110-198-0001, 6110-204-0001, 6110-208-0001, 6110-209-0001,  
27 6110-211-0001, 6110-212-0001, 6110-227-0001, 6110-228-0001,  
28 6110-232-0001, 6110-240-0001, 6110-242-0001, 6110-243-0001,  
29 6110-244-0001, 6110-245-0001, 6110-246-0001, 6110-247-0001,  
30 6110-248-0001, 6110-260-0001, 6110-265-0001, 6110-267-0001,  
31 6110-268-0001, *and* 6360-101-0001, 2012–13 fiscal year funding  
32 for the Class Size Reduction Program pursuant to Chapter 6.10  
33 (commencing with Section 52120) of Part 28 of Division 4, as it  
34 read on January 1, 2013, and 2012–13 fiscal year funding for pupils  
35 enrolled in community day schools who are mandatorily expelled  
36 pursuant to subdivision (d) of Section 48915. The entitlement for  
37 basic aid school districts shall include the reduction of 8.92 percent  
38 as applied pursuant to subparagraph (A) of paragraph (1) of  
39 subdivision (a) of Section 3 of Chapter 2 of the Statutes of 2012.

1 (3) The allocations pursuant to Sections 42606 and 47634.1, as  
2 those sections read on January 1, 2013, divided by the 2012–13  
3 average daily attendance of the charter school computed pursuant  
4 to Section 42238.05. That quotient shall be multiplied by the  
5 current fiscal year average daily attendance of the charter school  
6 computed pursuant to Section 42238.05.

7 (4) The amount allocated to a school district or charter school  
8 pursuant to paragraph (3) of subdivision (b) for the fiscal years  
9 before the current fiscal year divided by the average daily  
10 attendance of the school district or charter school for the fiscal  
11 years before the current fiscal year computed pursuant to Section  
12 42238.05. That quotient shall be multiplied by the current fiscal  
13 year average daily attendance of the school district or charter school  
14 computed pursuant to Section 42238.05.

15 (5) (A) For the 2013–14 and 2014–15 fiscal years only, a school  
16 district that, in the 2012–13 fiscal year, from any of the funding  
17 sources identified in paragraph (1) or (2), received funds on behalf  
18 of, or provided funds to, a regional occupational center or program  
19 joint powers agency established in accordance with Article 1  
20 (commencing with Section 6500) of Chapter 5 of Division 7 of  
21 Title 1 of the Government Code for purposes of providing  
22 instruction to secondary pupils shall not redirect that funding for  
23 another purpose unless otherwise authorized in law or pursuant to  
24 an agreement between the regional occupational center or program  
25 joint powers agency and the contracting school district.

26 (B) For the 2013–14 and 2014–15 fiscal years only, if a regional  
27 occupational center or program joint powers agency established  
28 in accordance with Article 1 (commencing with Section 6500) of  
29 Chapter 5 of Division 7 of Title 1 of the Government Code for  
30 purposes of providing instruction to pupils enrolled in grades 9 to  
31 12, inclusive, received, in the 2012–13 fiscal year, an  
32 apportionment of funds directly from any of the funding sources  
33 identified in subparagraph (A) of paragraph (2) of subdivision (a),  
34 the Superintendent shall apportion that same amount to the regional  
35 occupational center or program joint powers agency.

36 (6) (A) (i) For the 2013–14 and 2014–15 fiscal years only, a  
37 school district that, in the 2012–13 fiscal year, from any of the  
38 funding sources identified in paragraph (1) or (2), received funds  
39 on behalf of, or provided funds to, a home-to-school transportation  
40 joint powers agency established in accordance with Article 1

1 (commencing with Section 6500) of Chapter 5 of Division 7 of  
2 Title 1 of the Government Code for purposes of providing pupil  
3 transportation shall not redirect that funding for another purpose  
4 unless otherwise authorized in law or pursuant to an agreement  
5 between the home-to-school transportation joint powers agency  
6 and the contracting school district.

7 (ii) For the 2013–14 and 2014–15 fiscal years only, if a  
8 home-to-school transportation joint powers agency established in  
9 accordance with Article 1 (commencing with Section 6500) of  
10 Chapter 5 of Division 7 of Title 1 of the Government Code for  
11 purposes of providing pupil transportation received, in the 2012–13  
12 fiscal year, an apportionment of funds directly from the  
13 Superintendent from any of the funding sources identified in  
14 subparagraph (A) of paragraph (2) of subdivision (a), the  
15 Superintendent shall apportion that same amount to the  
16 home-to-school transportation joint powers agency.

17 (B) In addition to subparagraph (A), of the funds a school district  
18 receives for home-to-school transportation programs the school  
19 district shall expend, pursuant to Article 2 (commencing with  
20 Section 39820) of Chapter 1 of Part 23.5, Article 10 (commencing  
21 with Section 41850) of Chapter 5, and the Small School District  
22 Transportation program, as set forth in Article 4.5 (commencing  
23 with Section 42290) of Chapter 7 of Part 24 of Division 3 of Title  
24 2, no less for those programs than the amount of funds the school  
25 district expended for home-to-school transportation in the 2012–13  
26 fiscal year.

27 (7) For the 2013–14 and 2014–15 fiscal years only, of the funds  
28 a school district receives for purposes of adult education, the school  
29 district shall expend no less than the amount of funds the school  
30 district expended for purposes of adult education in the 2012–13  
31 fiscal year.

32 (8) For the 2013–14 to 2016–17 fiscal years, inclusive, only, a  
33 school district shall expend for regional occupational centers or  
34 programs no less than the total amount of funds the school district  
35 expended for regional occupational centers or programs in the  
36 2012–13 fiscal year. For purposes of this paragraph, a school  
37 district may include expenditures made by its county office of  
38 education for purposes of regional occupational centers or programs  
39 so long as the total amount of expenditures by the school district  
40 and its county office of education equal or exceed the total amount

1 required to be expended for purposes of regional occupational  
2 centers or programs pursuant to this paragraph and paragraph (3)  
3 of subdivision (k) of Section 2575.

4 ~~(9) (A) The Superintendent shall convene a task force to study  
5 funding models for regional occupational centers and programs  
6 and report recommended options pursuant to the findings of its  
7 study to the Legislature and the Director of Finance on or before  
8 September 1, 2016.~~

9 ~~(B) The requirement for submitting a report under this paragraph  
10 is inoperative on January 1, 2019, pursuant to Section 10231.5 of  
11 the Government Code.~~

12 ~~(C) A report to be submitted pursuant to this paragraph shall be  
13 submitted in compliance with Section 9795 of the Government  
14 Code.~~

15 (b) Compute an annual local control funding formula transition  
16 adjustment for each school district and charter school as follows:

17 (1) Subtract the amount computed pursuant to paragraphs (1)  
18 to (4), inclusive, of subdivision (a) from the amount computed for  
19 each school district or charter school under the local control  
20 funding formula entitlements computed pursuant to Section  
21 42238.02. School districts and charter schools with a negative  
22 difference shall be deemed to have a zero difference.

23 (2) Each school district's and charter school's total need, as  
24 calculated pursuant to paragraph (1), shall be divided by the sum  
25 of all school districts' and charter schools' total need to determine  
26 the school district's or charter school's respective proportions of  
27 total need.

28 (3) Each school district's and charter school's proportion of  
29 total need shall be multiplied by any available appropriations  
30 specifically made for purposes of this subdivision, and added to  
31 the school district's or charter school's funding amounts as  
32 calculated pursuant to subdivision (a).

33 (4) If the total amount of funds appropriated for purposes of  
34 paragraph (3) pursuant to this subdivision are sufficient to fully  
35 fund any positive amounts computed pursuant to paragraph (1),  
36 the local control funding formula grant computed pursuant to  
37 subdivision (c) of Section 42238.02 shall be adjusted to ensure  
38 that any available appropriation authority is expended for purposes  
39 of the local control funding formula.

1 (5) Commencing with the first fiscal year after either paragraph  
2 (4) of this subdivision or paragraph (2) of subdivision (g) applies,  
3 the adjustments in paragraph (2) of subdivision (d) of Section  
4 42238.02 shall be made only if an appropriation for those  
5 adjustments is included in the annual Budget Act.

6 (c) The Superintendent shall subtract from the amounts  
7 computed pursuant to subdivisions (a) and (b) the sum of the  
8 following:

9 (1) (A) For school districts, the property tax revenue received  
10 pursuant to Chapter 3.5 (commencing with Section 75) and Chapter  
11 6 (commencing with Section 95) of Part 0.5 of Division 1 of the  
12 Revenue and Taxation Code.

13 (B) For charter schools, the in-lieu property tax amount provided  
14 to a charter school pursuant to Section 47635.

15 (2) The amount, if any, received pursuant to Part 18.5  
16 (commencing with Section 38101) of Division 2 of the Revenue  
17 and Taxation Code.

18 (3) The amount, if any, received pursuant to Chapter 3  
19 (commencing with Section 16140) of Part 1 of Division 4 of Title  
20 2 of the Government Code.

21 (4) Prior years' taxes and taxes on the unsecured roll.

22 (5) Fifty percent of the amount received pursuant to Section  
23 41603.

24 (6) The amount, if any, received pursuant to the Community  
25 Redevelopment Law (Part 1 (commencing with Section 33000)  
26 of Division 24 of the Health and Safety Code), less any amount  
27 received pursuant to Section 33401 or 33676 of the Health and  
28 Safety Code that is used for land acquisition, facility construction,  
29 reconstruction, or remodeling, or deferred maintenance and that  
30 is not an amount received pursuant to Section 33492.15, or  
31 paragraph (4) of subdivision (a) of Section 33607.5, or Section  
32 33607.7 of the Health and Safety Code that is allocated exclusively  
33 for educational facilities.

34 (7) The amount, if any, received pursuant to Sections 34177,  
35 34179.5, 34179.6, 34183, and 34188 of the Health and Safety  
36 Code.

37 (8) Revenue received pursuant to subparagraph (B) of paragraph  
38 (3) of subdivision (e) of Section 36 of Article XIII of the California  
39 Constitution.

1 (d) A school district or charter school that has a zero difference  
2 pursuant to paragraph (1) of subdivision (b) in the prior fiscal year  
3 shall receive an entitlement equal to the amount calculated pursuant  
4 to Section 42238.02 in the current fiscal year and future fiscal  
5 years.

6 (e) Notwithstanding the computations pursuant to subdivisions  
7 (b) to (d), inclusive, and Section 42238.02, commencing with the  
8 2013–14 fiscal year, a school district or charter school shall receive  
9 state-aid funding of no less than the sum of the amounts computed  
10 pursuant to paragraphs (1) to (3), inclusive.

11 (1) (A) For school districts, revenue limits in the 2012–13 fiscal  
12 year as computed pursuant to Article 2 (commencing with Section  
13 42238), as that article read on January 1, 2013, divided by the  
14 2012–13 average daily attendance of the school district computed  
15 pursuant to Section 42238.05. That quotient shall be multiplied  
16 by the current fiscal year average daily attendance of the school  
17 district computed pursuant Section 42238.05. A school district's  
18 2012–13 revenue limit funding shall exclude amounts computed  
19 pursuant to Article 4 (commencing with Section 42280).

20 (B) (i) For charter schools, general purpose funding in the  
21 2012–13 fiscal year as computed pursuant to Article 2  
22 (commencing with Section 47633) of Chapter 6, as that article  
23 read on January 1, 2013, and the amount of in-lieu property tax  
24 provided to the charter school in the 2012–13 fiscal year pursuant  
25 to Section 47635, as that section read on January 1, 2013, divided  
26 by the 2012–13 average daily attendance of the charter school  
27 computed pursuant to Section 42238.05. That quotient shall be  
28 multiplied by the current fiscal year average daily attendance of  
29 the charter school computed pursuant to Section 42238.05.

30 (ii) The amount computed pursuant to clause (i) shall exclude  
31 funds received by a charter school pursuant to Section 47634.1,  
32 as that section read on January 1, 2013.

33 (C) The amount computed pursuant to subparagraph (A) shall  
34 exclude funds received pursuant to Section 47633, as that section  
35 read on January 1, 2013.

36 (D) For school districts, the 2012–13 funding allowance  
37 provided for qualifying necessary small high schools and necessary  
38 small elementary schools pursuant to Article 4 (commencing with  
39 Section 42280) and Section 42238.146, as those provisions read  
40 on January 1, 2013.

1 (E) The amount computed pursuant to subparagraphs (A) to  
2 (D), inclusive, shall be reduced by the sum of the amount computed  
3 pursuant to paragraphs (1) to (8), inclusive, of subdivision (c).

4 (2) (A) Entitlements from items contained in Section 2.00, as  
5 adjusted pursuant to Section 12.42, of the Budget Act of 2012 for  
6 Items 6110-104-0001, 6110-105-0001, 6110-108-0001,  
7 6110-111-0001, 6110-124-0001, 6110-128-0001, 6110-137-0001,  
8 6110-144-0001, 6110-156-0001, 6110-181-0001, 6110-188-0001,  
9 6110-189-0001, 6110-190-0001, 6110-193-0001, 6110-195-0001,  
10 6110-198-0001, 6110-204-0001, 6110-208-0001, 6110-209-0001,  
11 6110-211-0001, 6110-212-0001, 6110-227-0001, 6110-228-0001,  
12 6110-232-0001, 6110-240-0001, 6110-242-0001, 6110-243-0001,  
13 6110-244-0001, 6110-245-0001, 6110-246-0001, 6110-247-0001,  
14 6110-248-0001, 6110-260-0001, 6110-265-0001, 6110-267-0001,  
15 6110-268-0001, and 6360-101-0001, 2012–13 fiscal year funding  
16 for the Class Size Reduction Program pursuant to Chapter 6.10  
17 (commencing with Section 52120) of Part 28 of Division 4, as it  
18 read on January 1, 2013, and 2012–13 fiscal year funding for pupils  
19 enrolled in community day schools who are mandatorily expelled  
20 pursuant to subdivision (d) of Section 48915. Notwithstanding  
21 Section 39 of Chapter 38 of the Statutes of 2012, the entitlement  
22 for basic aid school districts shall include the reduction of 8.92  
23 percent as applied pursuant to subparagraph (A) of paragraph (1)  
24 of subdivision (a) of Section 3 of Chapter 2 of the Statutes of 2012.

25 (B) The Superintendent shall annually apportion any entitlement  
26 provided to the state special schools from the items specified in  
27 subparagraph (A) to the state special schools in the same amount  
28 as the state special schools received from those items in the  
29 2012–13 fiscal year.

30 (3) The allocations pursuant to Sections 42606 and 47634.1, as  
31 those sections read on January 1, 2013, divided by the 2012–13  
32 average daily attendance of the charter school. That quotient shall  
33 be multiplied by the current fiscal year average daily attendance  
34 of the charter school.

35 (f) (1) For purposes of this section, commencing with the  
36 2013–14 fiscal year and until all school districts and charter schools  
37 equal or exceed their local control funding formula target computed  
38 pursuant to Section 42238.02, as determined by the calculation of  
39 a zero difference pursuant to paragraph (1) of subdivision (b), a  
40 newly operational charter school shall be determined to have a

1 prior year per average daily attendance funding amount equal to  
2 the lesser of:

3 (A) The prior year funding amount per unit of average daily  
4 attendance for the school district in which the charter school is  
5 physically located. The Superintendent shall calculate the funding  
6 amount per unit of average daily attendance for this purpose by  
7 dividing the total local control funding formula entitlement,  
8 calculated pursuant to subdivisions (a) and (b), received by that  
9 school district in the prior year by prior year funded average daily  
10 attendance of that school district. For purposes of this  
11 subparagraph, a charter school that is physically located in more  
12 than one school district shall use the calculated local control  
13 funding entitlement per unit of average daily attendance of the  
14 school district with the highest prior year funding amount per unit  
15 of average daily attendance.

16 (B) The charter school's local control funding formula rate  
17 computed pursuant to subdivisions (c) to (i), inclusive, of Section  
18 42238.02.

19 (2) For charter schools funded pursuant to paragraph (1), the  
20 charter school shall be eligible to receive growth funding pursuant  
21 to subdivision (b) toward meeting the newly operational charter  
22 school's local control funding formula target.

23 (3) Upon a determination that all school districts and charter  
24 schools equal or exceed the local control funding formula target  
25 computed pursuant to Section 42238.02, as determined by the  
26 calculation of a zero difference pursuant to paragraph (1) of  
27 subdivision (b) for all school districts and charter schools, this  
28 subdivision shall not apply and the charter school shall receive an  
29 allocation equal to the amount calculated under Section 42238.02  
30 in that fiscal year and future fiscal years.

31 (g) (1) In each fiscal year the Superintendent shall determine  
32 the percentage of school districts that are apportioned funding  
33 pursuant to this section that is less than the amount computed  
34 pursuant to Section 42238.02 as of the second principal  
35 apportionments of the fiscal year. If the percentage is less than 10  
36 percent, the Superintendent shall apportion funding to school  
37 districts and charter schools equal to the amount computed pursuant  
38 to Section 42238.02 in that fiscal year.

- 1 (2) For each fiscal year thereafter, the Superintendent shall
- 2 apportion funding to a school district and charter school equal to
- 3 the amount computed pursuant to Section 42238.02.

O