

AMENDED IN ASSEMBLY JUNE 13, 2013

**SENATE BILL**

**No. 81**

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**Introduced by Committee on Budget and Fiscal Review**

January 10, 2013

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~~An act relating to the Budget Act of 2013.~~ *An act to amend Sections 8150, 8151, 8152, 8153.5, 8154, 8155, 8239, 8263, 8263.1, 8335.4, 8335.5, 8335.7, 8344, 8346, 8447, 17457.5, 17463.7, 17592.71, 41203.1, 41325, 41329.52, 41329.53, 41329.55, 41329.57, 41365, 41366.6, 41367, 47612, 47614.5, 49430.5, 52055.770, 56520, 56523, 56525, 56836.02, 56836.08, 56836.10, 56836.11, 56836.15, 56836.22, 56836.23, 60810, 79146, 79148, and 84043 of, to amend, add, and repeal Section 84321.6 of, to add Sections 8150.5, 44374.5, 56521.1, 56521.2, 56836.145, 56836.31, 66025.92, 79149, 79149.1, 79149.2, 79149.3, 79149.4, 79149.5, and 79149.6 to, to add Article 11.5 (commencing with Section 8273) to Chapter 2 of Part 6 of Division 1 of Title 1 of, to add Article 3 (commencing with Section 84830) to Chapter 5 of Part 50 of Division 7 of Title 3 of, to repeal Sections 8156, 38092, 38102, 47614.7, 56836.12, 56836.13, 56836.14, 56836.24, 56836.25, and 56836.30 of, to repeal Article 7 (commencing with Section 84381) of Chapter 3 of Part 50 of Division 7 of Title 3 of, and to repeal and add Section 14041.6 of, the Education Code, to amend Sections 17581.5, 17581.6, 17581.7, 63049.67, and 63049.68 of the Government Code, and to repeal Section 10 of Chapter 325 of the Statutes of 2012, relating to education finance, and making an appropriation therefor, to take effect immediately, bill related to the budget.*

LEGISLATIVE COUNSEL'S DIGEST

SB 81, as amended, Committee on Budget and Fiscal Review. ~~Budget Act of 2013.~~ *Education finance: education omnibus trailer bill.*

*(1) Existing law establishes procedures and reimbursement provisions for the attendance of apprentices at high schools, unified school districts, regional occupational centers or programs, community colleges, and adult schools under vocational education programs standards that are established with the participation of the State Department of Education, the Chancellor of the California Community Colleges, and the Division of Apprenticeship Standards of the Department of Industrial Relations.*

*This bill would revise the role of the State Department of Education in these programs, and would, among other things, establish standards for the provision of state funding and reimbursements for these programs at high schools, unified school districts, regional occupational centers or programs, and adult schools separate from these programs at community colleges. The bill would require, by March 15, 2014, the Chancellor of the California Community Colleges and the Division of Apprenticeship Standards of the Department of Industrial Relations, with equal participation by specified entities, to develop common administrative practices and treatment of costs and services, as well as other policies related to apprenticeship programs.*

*(2) Existing law, the Child Care and Development Services Act, administered by the State Department of Education, requires the Superintendent of Public Instruction to administer child care and development programs that offer a full range of services for eligible children from infancy to 13 years of age. Existing law requires the Superintendent to establish a fee schedule for families using child care and development services pursuant to the act, and limits a contractor's ability to charge additional fees. Existing law exempts families that meet certain criteria from family fees for a cumulative period of up to 12 months.*

*This bill would instead require the Superintendent to establish a revised fee schedule for families using preschool and child care and development services. The bill would require the Superintendent to first submit the adjusted family fee schedule to the Department of Finance for approval. The bill would require that families be assessed a flat monthly fee, based on income, as specified, certified family need for full-time or part-time care services, and enrollment, and not based on attendance, as specified. The bill would require that the family fee schedule differentiate between fees for part-time care and full-time care and that the family fee be assessed at initial enrollment and reassessed as specified. The bill would also state the Legislature's intent that new family fees be cost neutral to the state and generate roughly the same*

*amount of revenue as was generated under the previous family fee schedule. The bill would specify that the family fee schedule that was in effect for the 2012–13 fiscal year shall remain in effect for the 2013–14 fiscal year until as specified. The bill would make organizational, conforming, and nonsubstantive changes.*

*(3) Existing law requires the Superintendent of Public Instruction to encourage state preschool program applicants or contracting agencies to offer full-day services through a combination of part-day preschool slots and wraparound general child care and development programs, as defined. Existing law also requires fees to be assessed and collected for families with children in part-day preschool programs, or families receiving wraparound child care services, or both, as provided.*

*This bill would require the Superintendent to annually report to the Department of Finance, on or before October 1 of each year, the fees collected from families who have children enrolled in the California state preschool program, as specified.*

*(4) Existing law provides for income eligibility standards for families to receive child care and development services. Existing law provides that “income eligible,” for the purposes of the Child Care and Development Services Act, means that a family’s adjusted monthly income is at or below 70% of the state median income, adjusted for family size, and adjusted annually. Notwithstanding this provision, existing law requires, for the 2012–13 fiscal year, the income eligibility limits to be 70% of the state median income that was in use for the 2007–08 fiscal year, adjusted for family size.*

*This bill would require, notwithstanding these provisions, for the 2013–14 fiscal year, the income eligibility limits to be 70% of the state median income that was in use for the 2007–08 fiscal year, adjusted for family size.*

*(5) Existing law authorizes the City and County of San Francisco, until July 1, 2014, and as a pilot project, to develop and implement an individualized county child care subsidy plan, requires the city and county, on or before June 30, 2014, to submit a final report to the Legislature and other specified entities that summarizes the impact of the plan, requires the city and county to phase out the plan and implement the state’s requirements for child care subsidies as of July 1, 2016, and repeals these provisions on January 1, 2017.*

*This bill would instead authorize the City and County of San Francisco to implement the individualized county child care subsidy plan until July 1, 2015, require the city and county to phase out the*

*plan and implement the state's requirements for child care subsidies as of July 1, 2017, require the city and county to submit the final report on or before June 30, 2015, and repeal these provisions on January 1, 2018.*

*(6) Existing law, until January 1, 2014, authorizes the County of San Mateo to implement an individualized county child care subsidy plan, and requires the county to phase out the plan between January 1, 2014, and January 1, 2016. Existing law provides for the repeal of these provisions on January 1, 2016.*

*This bill would instead authorize the County of San Mateo to implement the individualized county child care subsidy plan until January 1, 2015, require the county to phase out the plan between January 1, 2015, and January 1, 2017, and repeal these provisions on January 1, 2017.*

*(7) Existing law requires the Controller to draw warrants on the State Treasury in each month of the year for the purpose of funding school districts, county superintendents of schools, and community college districts. Existing law defers the drawing of specified warrants until later dates.*

*This bill would revise and recast a provision authorizing the deferral of several specified warrants.*

*(8) Existing law, which becomes inoperative on June 30, 2013, and is repealed on January 1, 2014, requires the governing board of a school district seeking to sell or lease real property designed to provide direct instruction or instructional support that the governing board deems to be surplus property to first provide a written offer to sell or lease that property to any charter school that has submitted a written request to the school district to be notified of surplus real property offered by the school district for sale or lease, as specified.*

*This bill would delete the repeal provision, thereby extending the operation of this provision indefinitely. The bill would revise the procedures and requirements for the sale of surplus property to charter schools, and would limit the provisions to charter schools that, at the time of the offer, have projections of at least 80 units of in-district average daily attendance for the following fiscal year.*

*(9) Existing law, until January 1, 2014, authorizes a school district to deposit the proceeds from the sale of surplus real property, together with any personal property located on that property, purchased entirely with local funds, into the general fund of the school district and to use those proceeds for any one-time general fund purpose. Existing law*

*requires the Office of Public School Construction to submit a final report, by January 1, 2014, to the State Allocation Board and certain committees of the Legislature relating to school districts that have exercised authority pursuant to those provisions.*

*This bill would extend the operation of those provisions to January 1, 2016, and would revise the date on which the final report is required to be submitted from January 1, 2014, to January 1, 2015.*

*(10) Existing law establishes the School Facilities Emergency Repair Account in the State Treasury, and requires the State Allocation Board to administer the account. Existing law establishes the Proposition 98 Reversion Account in the General Fund, and requires that the Legislature, from time to time, transfer into this account moneys previously appropriated in satisfaction of the constitutional minimum funding requirements that have not been disbursed or otherwise encumbered for the purposes for which they were appropriated. Existing law generally requires an amount, equaling 50% of the unappropriated balance of the Proposition 98 Reversion Account or \$100,000,000, whichever is greater, to be transferred in the annual Budget Act from the Proposition 98 Reversion Account to the School Facilities Emergency Repair Account. However, the amount to be transferred under this provision was set at \$0 for the 2009–10, 2010–11, 2011–12, and 2012–13 fiscal years.*

*This bill would also set the amount to be transferred for the 2013–14 fiscal year to \$0.*

*(11) Existing law authorizes the governing board of any school district with an average daily attendance of over 100,000 to allow as an expenditure from the cafeteria fund or account a share of money that is generated from the joint sale of items between the cafeteria and the associated student body student store, and also authorizes the governing board of a school district operating school cafeterias to establish and maintain a cafeteria equipment reserve, as specified.*

*This bill would repeal those provisions.*

*(12) Existing law requires, for the 1990–91 fiscal year and each fiscal year thereafter, that moneys to be applied by the state for the support of school districts, community college districts, and direct elementary and secondary level instructional services provided by the state be distributed in accordance with certain calculations governing the proration of those moneys among the 3 segments of public education. Existing law makes that provision inapplicable to the 1992–93 to 2012–13 fiscal years, inclusive.*

*This bill would also make that provision inapplicable to the 2013–14 fiscal year.*

*(13) Existing law provides that when a school district becomes insolvent and requires an emergency apportionment from the state, that the Superintendent of Public Instruction, operating through an appointed administrator, take specified actions, including, among others, implementing substantial changes in the school district’s fiscal policies and practices, and sets forth the administrator’s powers and responsibilities in that regard.*

*This bill would authorize the Superintendent to also appoint a trustee with the powers and responsibilities of an administrator.*

*(14) Existing law authorizes a school district to receive an advance of apportionments owed to the school district by the State School Fund in accordance with specified procedures and requirements.*

*This bill would specify that a school district is authorized to receive an advance of apportionments owed to the school district from the State School Fund and the Education Protection Account. The bill would also make conforming changes to related sections in the Government Code.*

*(15) Existing law establishes the Charter School Revolving Loan Fund in the State Treasury, and authorizes loans to be made from the fund to qualifying charter schools. Existing law establishes the Charter School Security Fund, and authorizes deposits to be made from that fund into the Charter School Revolving Loan Fund in case of a default on a loan made from the latter fund. Under existing law, these funds are administered by the State Department of Education.*

*This bill would require the California School Finance Authority to administer the Charter School Revolving Loan Fund and the Charter School Security Fund commencing with the 2013–14 fiscal year.*

*(16) Existing law establishes the Commission on Teacher Credentialing for, among other purposes, the establishment of professional standards, assessments, and examinations for entry and advancement in the teaching profession.*

*This bill would authorize the commission to charge fees to recover the costs of reviewing new educator preparation programs and specified accreditation activities, as provided.*

*(17) The Charter Schools Act of 1992 provides procedures for the calculation of average daily attendance for the purpose of funding charter schools.*

*This bill would revise certain of these procedures, and specifically prohibit a charter school pupil from generating more than one day of attendance in a calendar day.*

*(18) Existing law establishes the Charter School Facility Grant Program to provide assistance with facilities rent and lease costs for pupils in charter schools, and requires the State Department of Education to allocate annually facilities grants to eligible charter schools.*

*This bill would revise and recast the statutes controlling the Charter School Facility Grant Program, and, commencing with the 2013–14 fiscal year, place it under the administration of the California School Finance Authority rather than the department.*

*(19) Existing law sets the reimbursement a school receives for free and reduced-price meals sold or served to pupils in elementary, middle, or high schools to be \$0.21, as adjusted annually for increases in cost of living, as specified.*

*This bill would set the reimbursement amount to \$0.2229 per meal, and, for meals served in child care centers and homes, to \$0.1660 per meal.*

*(20) The existing Quality Education Investment Act of 2006 effectuates the intent of the Legislature to implement the terms of the proposed settlement agreement of a specified legal action, to provide for the discharge of the minimum state educational funding requirement, to improve the quality of academic instruction and the level of pupil achievement in schools whose pupils have high levels of poverty and complex educational needs, to develop exemplary school district and school practices that will create working conditions and classroom learning environments that will attract and retain well qualified teachers, administrators, and other staff, and to focus school resources solely on instructional improvement and pupil services. The act appropriates specified funds for these purposes.*

*This bill would adjust certain calculations and appropriations made pursuant to these provisions.*

*(21) Existing law makes legislative findings and declarations that the state has continually sought to provide an appropriate and meaningful educational program in a safe and healthy environment for all children regardless of possible physical, mental, or emotionally disabling conditions and that teachers of children with special needs require training and guidance that provides positive ways for working successfully with children who have difficulties conforming to acceptable*

*behavior patterns. Existing law provides for the implementation of a program governing the use of behavior interventions for individuals with exceptional needs.*

*This bill would delete the legislative finding and declaration relating to teachers of children with special needs, and add certain findings and declarations relating to behavioral interventions.*

*The bill would require that emergency behavioral interventions be used only to control unpredictable, spontaneous behavior that poses clear and present danger of serious physical harm to the individual with exceptional needs or others, and that cannot be prevented by a response less restrictive than the temporary application of a technique used to contain the behavior. The bill would require that emergency interventions be documented in reports, as provided, and would require specified teams to review these reports. The bill would prohibit certain types of interventions by an agency serving individuals with exceptional needs, including electric shock, the release of toxic or noxious sprays or mists, or locked seclusion, except when seclusion is used as specified.*

*The bill would require the Superintendent of Public Instruction to repeal regulations regarding the use of behavioral interventions that are no longer supported by statute, as specified.*

*(22) Existing law provides for the calculation of apportionments to fund the provision of special education instruction and services for pupils who qualify for these programs.*

*This bill would make numerous adjustments in the calculations of apportionments related to the funding for special education.*

*(23) Existing law requires the Superintendent of Public Instruction to review existing tests that assess the English language development of pupils whose primary language is a language other than English. Existing law requires pupils in kindergarten and grade 1 to be assessed in English listening and speaking, and, once an assessment is developed, early literacy skills. Existing law requires an early literacy assessment to be administered for a period of 3 years or until July 1, 2012, whichever occurs first, and requires the State Department of Education to report to the Legislature, no later than January 1, 2013, on early literacy assessment results.*

*The bill would instead require the early literacy assessment to be administered for 4 years or until July 1, 2014, and would require the department to submit the report on early literacy assessments results for the first 3 administered assessments no later than June 30, 2013.*

(24) Existing law requires the California State University and each community college district, and requests the University of California, with respect to each campus in their respective jurisdictions that administers a priority enrollment system, to grant priority registration for enrollment to a foster youth or former foster youth, as defined.

This bill would require each community college district that administers a priority enrollment system to grant priority registration for enrollment to any student who is a recipient of aid under the California Work Opportunity and Responsibility to Kids program. By requiring additional students to receive priority registration at community college districts, the bill would impose a state-mandated local program.

(25) Existing law establishes the California Community Colleges, under the administration of the Board of Governors of the California Community Colleges, as one of the segments of public postsecondary education in this state. Existing law, for the 2009–10 to 2014–15 fiscal years, inclusive, authorizes a community college district to use funds apportioned to the community college district for certain programs, including, among other programs, apprenticeship and matriculation programs, for purposes of a prescribed list of programs contained in the Budget Act of 2009.

This bill would remove the authorization for a community college district to use funds appropriated for apprenticeship and matriculation for purposes of the prescribed list of programs contained in the Budget Act of 2009.

(26) Existing law creates in the State Treasury the Community College Fund for Instructional Improvement, which consists of a revolving loan program and a direct grant program to support alternative educational programs and services for California Community Colleges, as specified.

This bill would repeal those provisions.

(27) Existing law specifies noncredit courses and classes in the various campuses of the California Community Colleges that are eligible for state funding.

This bill would require the Chancellor of the California Community Colleges and the State Department of Education, pursuant to funding made available in the annual Budget Act, to jointly provide 2-year planning and implementation grants to regional consortia of community college districts and school districts for the purpose of developing regional plans for adult education, as specified. The bill would require

*the chancellor and the department to submit a joint report relating to the program to the Legislature and the Governor on or before March 1, 2014.*

*(28) Under the California Constitution, whenever the Legislature or a state agency mandates a new program or higher level of service on any local government, including a school district and a community college district, the state is required to provide a subvention of funds to reimburse the local government, with specified exceptions. Existing law provides that, under certain conditions, a school district or community college district is not required to implement or give effect to certain statutes, or portions of statutes, determined to mandate a new program or higher level of service.*

*This bill would expand the list of programs that a school district or community college district would not have to implement under those conditions.*

*(29) Existing law, commencing with the 2012–13 fiscal year, requires certain funds appropriated in the annual Budget Act for reimbursement of the cost of a new program or increased level of service of an existing program mandated by statute or executive order to be available as a block grant to school districts, charter schools, county offices of education, and community college districts, to support specified state-mandated local programs. Existing law provides that a school district, charter school, county office of education, or community college district that submits a letter of intent to the Superintendent of Public Instruction or the Chancellor of the California Community Colleges, as appropriate, and receives this block grant funding is not eligible to submit a claim for reimbursement for those specified mandated programs for the fiscal year for which the block grant funding is received.*

*This bill would prescribe procedures and requirements for school districts, county offices of education, charter schools, and community college districts that elect to receive block grant funding for designated mandated programs. The bill would revise the list of specified state-mandated local programs that are subject to these provisions that authorize block grant funding in lieu of program-specific reimbursement.*

*(30) Existing law appropriates a sum of up to \$29,000,000 from the General Fund to the Superintendent of Public Instruction for apportionment to the Inglewood Unified School District for the purpose of an emergency loan. Existing law requires the Inglewood Unified School District to enter into bank financing with the California*

*Infrastructure and Economic Development Bank upon terms the bank, in its discretion, deems necessary or appropriate for purposes of financing or refinancing the emergency apportionment. Existing law authorizes the school district to augment the emergency loan with an additional \$26,000,000 of bank financing, arranged as specified.*

*This bill would repeal the provisions requiring the Inglewood Unified School District to enter into bank financing or refinancing of the emergency apportionment and authorizing the school district to augment the emergency loan. The bill would instead authorize the Inglewood Unified School District, through the State Department of Education, to request cashflow loans from the General Fund for a total of \$55,000,000. The bill would require the Controller, upon order of the Director of Finance, to draw warrants against General Fund cash to the Inglewood Unified School District once a loan is approved by the Director of Finance, thereby making an appropriation. The bill would specify conditions to be followed by the school district in receiving the funds and repaying the loan. The bill would make legislative findings and declarations as to the necessity of a special statute for the Inglewood Unified School District.*

*(31) This bill would provide that, of the amount allocated in a specified schedule of the Budget Act of 2011, \$8,954,000 would be provided to fully fund maintenance of effort in the special education program in designated fiscal years.*

*(32) This bill would appropriate \$1,250,000,000 from the General Fund to the Superintendent of Public Instruction for transfer to Section A of the State School Fund to support the integration of academic content standards in instruction, as specified. The bill would require the Superintendent to apportion these funds to school districts, county offices of education, charter schools, and the state special schools using an equal rate per pupil based on prior year enrollment. The bill would require the school districts, county offices of education, charter schools, or state special schools receiving these funds to use them for certain purposes, including professional development of teachers, administrators, and paraprofessional educators or other classified employees involved in the direct instruction of pupils, as specified. The bill would require, as a condition of receiving funds apportioned pursuant to the bill, a school district, county office of education, charter school, or state special school to adopt a plan delineating how the funds shall be spent and to report detailed expenditure information to the State Department of Education on or before July 1, 2015, as specified.*

*The bill would require the department to provide a summary of the expenditure information provided to it to the appropriate budget subcommittees and policy committees of the Legislature and to the Department of Finance on or before January 1, 2016.*

*(33) This bill would appropriate \$250,000,000 from the General Fund to the Superintendent of Public Instruction for transfer to Section A of the State School Fund for establishment of the California Career Pathways Trust. The bill would require these funds to be apportioned, as specified, to school districts, county superintendents of schools, charter schools, and community college districts as competitive grants to be available for expenditure in the 2013–14 to 2015–16 fiscal years, inclusive. The bill would require the Superintendent to consult with the Chancellor of the California Community Colleges and organizations representing businesses in considering grant applications pursuant to those provisions. The bill would require recipients of grants and the Superintendent to report specified outcome measures to the Department of Finance and to the relevant policy and fiscal committees of the Legislature no later than December 1, 2016.*

*(34) This bill would require amounts to be determined by the Director of Finance to be appropriated from the General Fund to the Board of Governors of the California Community Colleges, on or before June 30, 2013, and on or before June 30, 2014, in the event that specified revenues distributed to community colleges are less than estimated amounts reflected in the Budget Acts of 2012 and 2013, respectively.*

*(35) This bill would require that an amount to be determined by the Director of Finance would be appropriated, on or before June 30, 2014, from the General Fund to the Superintendent of Public Instruction for specified special education programs.*

*(36) This bill would require that the funds appropriated pursuant to designated items of the Budget Act of 2013 be encumbered by July 31, 2014, thus extending the encumbrance authority connected with those items by one month. The bill would state that this extension is provided due to the effect of the deferral of the June 2014 principal apportionment on those budget items.*

*(37) This bill would make conforming changes, correct cross-references, and make other nonsubstantive changes.*

*(38) 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.*

*(39) Funds appropriated 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.*

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

~~This bill would express the intent of the Legislature to enact statutory changes relating to the Budget Act of 2013.~~

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

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

1     SECTION 1. Section 8150 of the Education Code is amended  
2 to read:

3     8150. ~~Attendance of apprentices enrolled in any class~~  
4 ~~maintained by a high school, unified school district, regional~~  
5 ~~occupation center or program, community college, or adult school,~~  
6 ~~pursuant to Section 3074 of the Labor Code, shall be reimbursed~~  
7 ~~pursuant to Section 8152 only if reported separately to the~~  
8 ~~Superintendent of Public Instruction or Chancellor of the California~~  
9 ~~Community Colleges, as appropriate. Attendance reported pursuant~~  
10 ~~to this section shall be used only for purposes of calculating~~  
11 ~~allowances pursuant to Section 8152.~~

12     8150. (a) *The Chancellor of the California Community*  
13 *Colleges shall be responsible for allocating funds for*  
14 *apprenticeship programs in good standing and approved pursuant*  
15 *to Chapter 4 (commencing with Section 3070) of Division 3 of the*  
16 *Labor Code for the secondary education system.*

17     (b) *Upon an appropriation by the Legislature, the Chancellor*  
18 *of the California Community Colleges shall allocate funds solely*  
19 *for the purposes of this article consistent with the subdivision (e)*  
20 *of Section 8152.*

21     (c) *For purposes of this article, a “local educational agency”*  
22 *is defined as a school district or a county office of education*

1     *SEC. 2. Section 8150.5 is added to the Education Code, to*  
 2     *read:*

3     8150.5. *Attendance of apprentices enrolled in any class*  
 4     *maintained by a high school, unified school district, regional*  
 5     *occupation center or program, or adult school, pursuant to Section*  
 6     *3074 of the Labor Code, shall be reimbursed pursuant to Section*  
 7     *8152 only if reported separately to the Chancellor of the California*  
 8     *Community Colleges. Attendance reported pursuant to this section*  
 9     *shall be used only for purposes of calculating allowances pursuant*  
 10    *to Section 8152.*

11    *SEC. 3. Section 8151 of the Education Code is amended to*  
 12    *read:*

13    8151. An apprentice attending a high school, unified school  
 14    district, regional occupational center or program, ~~community~~  
 15    ~~college~~, or adult school in classes of related and supplemental  
 16    instruction as provided under Section 3074 of the Labor Code and  
 17    in accordance with the requirements of subdivision (d) of Section  
 18    3078 of the Labor Code shall be exempt from the requirements of  
 19    any interdistrict attendance agreement for ~~such~~ those classes.

20    *SEC. 4. Section 8152 of the Education Code is amended to*  
 21    *read:*

22    8152. (a) The reimbursement rate shall be established in the  
 23    annual Budget Act and the rate shall be commonly applied to all  
 24    providers of instruction specified in subdivision (d).

25    (b) For the purposes of this section, each hour of teaching time  
 26    may include up to 10 minutes of passing time and breaks.

27    (c) This section also applies to isolated apprentices, as defined  
 28    in Section 3074 of the Labor Code, for which alternative methods  
 29    of instruction are provided.

30    (d) ~~The Superintendent of Public Instruction or the Chancellor~~  
 31    ~~of the California Community Colleges, whichever is appropriate,~~  
 32    *Colleges* shall make the reimbursements specified in this section  
 33    for teaching time provided by high schools, unified school districts,  
 34    regional occupational centers or programs, ~~community colleges,~~  
 35    or adult schools.

36    (e) *The hours for related and supplemental instruction derived*  
 37    *from funds appropriated pursuant to subdivision (b) of Section*  
 38    *8150 shall be allocated by the Chancellor of California Community*  
 39    *Colleges directly to participating local educational agencies that*

1 *contract with apprenticeship programs pursuant to subdivision*  
2 *(f).*

3 *(e)*

4 *(f)* Reimbursements may be made under this section for related  
5 and supplemental instruction provided to indentured apprentices  
6 only if the instruction is provided by a program approved by the  
7 Division of Apprenticeship Standards in the Department of  
8 Industrial Relations in accordance with Chapter 4 (commencing  
9 with Section 3070) of Division 3 of the Labor Code.

10 *(g)* *The initial allocation of hours made pursuant to subdivision*  
11 *(e) for related and supplemental instruction at the beginning of*  
12 *any fiscal year when multiplied by the hourly reimbursement rate*  
13 *shall equal 100 percent of the total appropriation for*  
14 *apprenticeships.*

15 *(h)* *If funds remain from the appropriation pursuant to*  
16 *subdivision (b) of Section 8150, the Chancellor of the California*  
17 *Community Colleges shall reimburse local educational agencies*  
18 *for unfunded related and supplemental instruction hours from any*  
19 *of the three previous fiscal years, in the following order:*

20 *(1)* *Reported related and supplemental instruction hours as*  
21 *described in subdivision (b) of Section 8154 that were paid at a*  
22 *rate less than the hourly rate specified in the Budget Act.*

23 *(2)* *Reported related and supplemental instruction hours that*  
24 *were not reimbursed.*

25 *SEC. 5. Section 8153.5 of the Education Code is amended to*  
26 *read:*

27 8153.5. For purposes of the California Firefighter Joint  
28 Apprenticeship Program, classes of related and supplemental  
29 instruction ~~which~~ *that* qualify for funding pursuant to ~~Sections~~  
30 ~~8152 and 8153~~, *Section 8152* include, but are not limited to, classes  
31 ~~which~~ *that* meet both of the following requirements:

32 (a) The classes are conducted at the workplace.

33 (b) The person providing instruction is qualified, by means of  
34 education or experience, as a journeyman and shares the  
35 responsibility for supervision of the apprentices participating in  
36 the classes with the certified community college or adult education  
37 coordinator.

38 *SEC. 6. Section 8154 of the Education Code is amended to*  
39 *read:*

1 8154. (a) ~~The Superintendent of Public Instruction and the~~  
 2 Chancellor of the California Community Colleges, in consultation  
 3 with the Division of Apprenticeship Standards *of the Department*  
 4 *of Industrial Relations and the Superintendent*, shall annually  
 5 review the amount of state funding necessary to provide the  
 6 reimbursements specified in ~~Sections 8152 and 8153, Section 8152,~~  
 7 and shall include an estimate of required funds in ~~their budgets its~~  
 8 *budget* for each fiscal year.

9 If

10 (b) *If* the amounts appropriated in any fiscal year are insufficient  
 11 to provide full reimbursement, the hourly rate specified in Section  
 12 ~~8153~~ 8152 shall be reduced on a pro rata basis *only for reported*  
 13 *hours that are in excess of the number of hours allocated at the*  
 14 *beginning of the fiscal year* so that the entire appropriation is  
 15 allocated. ~~The Superintendent of Public Instruction and the~~  
 16 ~~Chancellor of the California Community Colleges may mutually~~  
 17 ~~agree to the transfer of moneys from one section of the State School~~  
 18 ~~Fund to the other in an amount necessary to provide for full~~  
 19 ~~reimbursement, or equal funding on a pro rata basis, of the rate~~  
 20 ~~specified in Section 8153 for school and community college~~  
 21 ~~districts. The amount upon which the superintendent and chancellor~~  
 22 ~~agree is reappropriated from the appropriate section of the State~~  
 23 ~~School Fund to the other section of the State School Fund for the~~  
 24 ~~purpose specified in the agreement.~~

25 If

26 (c) *If* the amount appropriated is in excess of the amounts needed  
 27 for full reimbursement *pursuant to subdivision (h) of Section 8152,*  
 28 any excess shall be allocated to school and community college  
 29 districts to be used for the purpose of the state general  
 30 apportionment ~~from Sections A and B of the State School Fund.~~

31 SEC. 7. Section 8155 of the Education Code is amended to  
 32 read:

33 8155. (a) ~~The State Department of Education, the Chancellor~~  
 34 ~~of the California Community Colleges, Colleges~~ and the Division  
 35 of Apprenticeship Standards *of the Department of Industrial*  
 36 *Relations, in consultation with the Superintendent*, shall jointly  
 37 develop a model format for agreements between ~~Joint~~  
 38 ~~Apprenticeship Training Councils apprenticeship programs~~ and  
 39 ~~local education educational~~ agencies for instruction pursuant to  
 40 Section 3074 of the Labor Code.

1 ~~(b) The State Department of Education, the Chancellor of the~~  
2 ~~California Community Colleges, and the Division of~~  
3 ~~Apprenticeship Standards shall jointly develop a model format for~~  
4 ~~agreements between Joint Apprenticeship Training Councils and~~  
5 ~~local education agencies concerning the calculation and payment~~  
6 ~~of excess costs pursuant to Section 3074 of the Labor Code.~~

7 *(b) By March 15, 2014, the Chancellor of the California*  
8 *Community Colleges and the Division of Apprenticeship Standards*  
9 *of the Department of Industrial Relations, with equal participation*  
10 *by local educational agencies and community college*  
11 *apprenticeship administrators, shall develop common*  
12 *administrative practices and treatment of costs and services, as*  
13 *well as other policies related to apprenticeship programs. Any*  
14 *policies developed pursuant to the this subdivision shall become*  
15 *operative upon approval by the California Apprenticeship Council.*

16 *(c) Apprenticeship programs offered through local educational*  
17 *agencies may maintain their existing curriculum and instructors*  
18 *separate from the requirements of the California Community*  
19 *Colleges. The person providing instruction may be a qualified*  
20 *journey person with experience and knowledge of the trade.*

21 *SEC. 8. Section 8156 of the Education Code is repealed.*

22 8156. (a) ~~For any apprenticeship program established pursuant~~  
23 ~~to Section 3074 of the Labor Code for which there is a~~  
24 ~~reimbursement entitlement under Section 8152 and that is~~  
25 ~~transferred from a county office of education or a school district~~  
26 ~~maintaining classes in kindergarten and any of grades 1 to 12,~~  
27 ~~inclusive, to a community college district, the Controller, upon~~  
28 ~~certification by the Superintendent of Public Instruction, shall~~  
29 ~~transfer, prior to the first or second principal apportionment, as~~  
30 ~~appropriate, from Section A of the State School Fund to Section~~  
31 ~~B of the State School Fund an amount equal to the numbers of~~  
32 ~~hours for which the apprenticeship program received funding in~~  
33 ~~the previous fiscal year multiplied by the appropriate~~  
34 ~~reimbursement rate set forth in Section 8152.~~

35 ~~(b) For any apprenticeship program for which there is a~~  
36 ~~reimbursement entitlement under Section 8152 and that is~~  
37 ~~transferred from a community college district to a school district~~  
38 ~~maintaining classes in kindergarten and any of grades 1 to 12,~~  
39 ~~inclusive, the Controller, upon certification by the Chancellor of~~  
40 ~~the California Community Colleges, shall transfer, prior to~~

1 ~~certification of the first or second principal apportionments, as~~  
2 ~~appropriate, from Section B of the State School Fund to Section~~  
3 ~~A of the State School Fund an amount equal to the number of hours~~  
4 ~~for which the apprenticeship program received funding in the~~  
5 ~~previous fiscal year multiplied by the appropriate reimbursement~~  
6 ~~rate set forth in Section 8152.~~

7 ~~(e) In the event that a deficit occurs in either Section A or~~  
8 ~~Section B of the State School Fund for apprenticeship programs~~  
9 ~~established pursuant to Section 3074 of the Labor Code for which~~  
10 ~~there is a reimbursement entitlement under Section 8152, the~~  
11 ~~Director of the Department of Finance may transfer any unspent~~  
12 ~~funds from one section of the State School Fund to fund a deficit~~  
13 ~~in another section of the State School Fund.~~

14 ~~(d) Any transfer authorized by this section shall be subject to~~  
15 ~~the approval of the Director of the Department of Finance, provided~~  
16 ~~that the transfer may not be authorized sooner than 30 days after~~  
17 ~~written notification of the necessity therefor is provided to the~~  
18 ~~chairpersons of the appropriate budget committees of the~~  
19 ~~Legislature and to the Chairperson of the Joint Legislative Budget~~  
20 ~~Committee, or sooner than any lesser period of time designated in~~  
21 ~~each instance by the Director of the Department of Finance, or his~~  
22 ~~or her designee.~~

23 *SEC. 9. Section 8239 of the Education Code is amended to*  
24 *read:*

25 8239. The Superintendent shall encourage state preschool  
26 program applicants or contracting agencies to offer full-day  
27 services through a combination of part-day preschool slots and  
28 wraparound general child care and development programs. In order  
29 to facilitate a full-day of services, all of the following shall apply:

30 (a) Part-day preschool programs provided pursuant to this  
31 section shall operate between 175 and 180 days.

32 (b) Wraparound general child care and development programs  
33 provided pursuant to this section may operate a minimum of 246  
34 days per year unless the child development contract specified a  
35 lower minimum days of operation. Part-day general child care and  
36 development programs may operate a full-day for the remainder  
37 of the year after the completion of the preschool program.

38 (c) Part-day preschool services combined with wraparound child  
39 care services shall be reimbursed at no more than the full-day  
40 standard reimbursement rate for general child care programs with

1 adjustment factors, pursuant to Section 8265 and as determined in  
2 the annual Budget Act.

3 (d) Three- and four-year-old children are eligible for wraparound  
4 child care services to supplement the part-day California state  
5 preschool program if the family meets at least one of the criteria  
6 specified in paragraph (1) of subdivision (a) of Section 8263, and  
7 the parents meet at least one of the criteria specified in paragraph  
8 (2) of subdivision (a) of Section 8263.

9 (e) Fees shall be assessed and collected for families with children  
10 in part-day preschool programs, or families receiving wraparound  
11 child care services, or both, pursuant to ~~subdivisions (g) and (h)~~  
12 ~~of Section 8263. Article 11.5 (commencing with Section 8273).~~

13 (f) *The Superintendent shall annually report to the Department*  
14 *of Finance, on or before October 1 of each year, the fees collected*  
15 *from families who have children enrolled in the California state*  
16 *preschool program. The report shall distinguish between family*  
17 *fees collected for part-day preschool programs and fees collected*  
18 *for wraparound child care services.*

19 (f)

20 (g) For purposes of this section, “wraparound child care  
21 services” and “wraparound general child care and development  
22 programs” mean services provided for the remaining portion of  
23 the day or remainder of the year following the completion of  
24 part-day preschool services that are necessary to meet the child  
25 care needs of parents eligible pursuant to subdivision (a) of Section  
26 8263. These services shall be provided consistent with the general  
27 child care and development programs provided pursuant to Article  
28 8 (commencing with Section 8240).

29 *SEC. 10. Section 8263 of the Education Code is amended to*  
30 *read:*

31 8263. (a) The Superintendent shall adopt rules and regulations  
32 on eligibility, enrollment, and priority of services needed to  
33 implement this chapter. In order to be eligible for federal and state  
34 subsidized child development services, families shall meet at least  
35 one requirement in each of the following areas:

36 (1) A family is (A) a current aid recipient, (B) income eligible,  
37 (C) homeless, or (D) one whose children are recipients of protective  
38 services, or whose children have been identified as being abused,  
39 neglected, or exploited, or at risk of being abused, neglected, or  
40 exploited.

1 (2) A family needs the child care services (A) because the child  
2 is identified by a legal, medical, or social services agency, or  
3 emergency shelter as (i) a recipient of protective services or (ii)  
4 being neglected, abused, or exploited, or at risk of neglect, abuse,  
5 or exploitation, or (B) because the parents are (i) engaged in  
6 vocational training leading directly to a recognized trade,  
7 paraprofession, or profession, (ii) employed or seeking  
8 employment, (iii) seeking permanent housing for family stability,  
9 or (iv) incapacitated.

10 (b) Except as provided in Article 15.5 (commencing with Section  
11 8350), priority for federal and state subsidized child development  
12 services is as follows:

13 (1) (A) First priority shall be given to neglected or abused  
14 children who are recipients of child protective services, or children  
15 who are at risk of being neglected or abused, upon written referral  
16 from a legal, medical, or social services agency. If an agency is  
17 unable to enroll a child in the first priority category, the agency  
18 shall refer the family to local resource and referral services to  
19 locate services for the child.

20 (B) A family who is receiving child care on the basis of being  
21 a child at risk of abuse, neglect, or exploitation, as defined in  
22 subdivision (k) of Section 8208, is eligible to receive services  
23 pursuant to subparagraph (A) for up to three months, unless the  
24 family becomes eligible pursuant to subparagraph (C).

25 (C) A family may receive child care services for up to 12 months  
26 on the basis of a certification by the county child welfare agency  
27 that child care services continue to be necessary or, if the child is  
28 receiving child protective services during that period of time, and  
29 the family requires child care and remains otherwise eligible. This  
30 time limit does not apply if the family's child care referral is  
31 recertified by the county child welfare agency.

32 (2) Second priority shall be given equally to eligible families,  
33 regardless of the number of parents in the home, who are income  
34 eligible. Within this priority, families with the lowest gross monthly  
35 income in relation to family size, as determined by a schedule  
36 adopted by the Superintendent, shall be admitted first. If two or  
37 more families are in the same priority in relation to income, the  
38 family that has a child with exceptional needs shall be admitted  
39 first. If there is no family of the same priority with a child with  
40 exceptional needs, the same priority family that has been on the

1 waiting list for the longest time shall be admitted first. For purposes  
2 of determining order of admission, the grants of public assistance  
3 recipients shall be counted as income.

4 (3) The Superintendent shall set criteria for, and may grant  
5 specific waivers of, the priorities established in this subdivision  
6 for agencies that wish to serve specific populations, including  
7 children with exceptional needs or children of prisoners. These  
8 new waivers shall not include proposals to avoid appropriate fee  
9 schedules or admit ineligible families, but may include proposals  
10 to accept members of special populations in other than strict income  
11 order, as long as appropriate fees are paid.

12 (c) Notwithstanding any other law, in order to promote  
13 continuity of services, a family enrolled in a state or federally  
14 funded child care and development program whose services would  
15 otherwise be terminated because the family no longer meets the  
16 program income, eligibility, or need criteria may continue to  
17 receive child development services in another state or federally  
18 funded child care and development program if the contractor is  
19 able to transfer the family's enrollment to another program for  
20 which the family is eligible before the date of termination of  
21 services or to exchange the family's existing enrollment with the  
22 enrollment of a family in another program, provided that both  
23 families satisfy the eligibility requirements for the program in  
24 which they are being enrolled. The transfer of enrollment may be  
25 to another program within the same administrative agency or to  
26 another agency that administers state or federally funded child  
27 care and development programs.

28 (d) In order to promote continuity of services, the Superintendent  
29 may extend the 60-working-day period specified in subdivision  
30 (a) of Section 18086.5 of Title 5 of the California Code of  
31 Regulations for an additional 60 working days if he or she  
32 determines that opportunities for employment have diminished to  
33 the degree that one or both parents cannot reasonably be expected  
34 to find employment within 60 working days and granting the  
35 extension is in the public interest. The scope of extensions granted  
36 pursuant to this subdivision shall be limited to the necessary  
37 geographic areas and affected persons, which shall be described  
38 in the Superintendent's order granting the extension. It is the intent  
39 of the Legislature that extensions granted pursuant to this  
40 subdivision improve services in areas with high unemployment

1 rates and areas with disproportionately high numbers of seasonal  
2 agricultural jobs.

3 (e) A physical examination and evaluation, including  
4 age-appropriate immunization, shall be required before, or within  
5 six weeks of, enrollment. A standard, rule, or regulation shall not  
6 require medical examination or immunization for admission to a  
7 child care and development program of a child whose parent or  
8 guardian files a letter with the governing board of the child care  
9 and development program stating that the medical examination or  
10 immunization is contrary to his or her religious beliefs, or provide  
11 for the exclusion of a child from the program because of a parent  
12 or guardian having filed the letter. However, if there is good cause  
13 to believe that a child is suffering from a recognized contagious  
14 or infectious disease, the child shall be temporarily excluded from  
15 the program until the governing board of the child care and  
16 development program is satisfied that the child is not suffering  
17 from that contagious or infectious disease.

18 (f) Regulations formulated and promulgated pursuant to this  
19 section shall include the recommendations of the State Department  
20 of Health Care Services relative to health care screening and the  
21 provision of health care services. The Superintendent shall seek  
22 the advice and assistance of these health authorities in situations  
23 where service under this chapter includes or requires care of  
24 children who are ill or children with exceptional needs.

25 ~~(g) (1) The Superintendent shall establish a fee schedule for~~  
26 ~~families utilizing child care and development services pursuant to~~  
27 ~~this chapter, including families receiving services under paragraph~~  
28 ~~(1) of subdivision (b). Families receiving services under~~  
29 ~~subparagraph (B) of paragraph (1) of subdivision (b) may be~~  
30 ~~exempt from these fees for up to three months. Families receiving~~  
31 ~~services under subparagraph (C) of paragraph (1) of subdivision~~  
32 ~~(b) may be exempt from these fees for up to 12 months. The~~  
33 ~~cumulative period of time of exemption from these fees for families~~  
34 ~~receiving services under paragraph (1) of subdivision (b) shall not~~  
35 ~~exceed 12 months.~~

36 ~~(2) The income of a recipient of federal supplemental security~~  
37 ~~income benefits pursuant to Title XVI of the federal Social Security~~  
38 ~~Act (42 U.S.C. Sec. 1381 et seq.) and state supplemental program~~  
39 ~~benefits pursuant to Title XVI of the federal Social Security Act~~  
40 ~~(42 U.S.C. Sec. 1381 et seq.) and Chapter 3 (commencing with~~

1 ~~Section 12000) of Part 3 of Division 9 of the Welfare and~~  
2 ~~Institutions Code shall not be included as income for purposes of~~  
3 ~~determining the amount of the family fee.~~

4 ~~(h) (1) The family fee schedule shall~~  
5 ~~provide, among other things, that a contractor or provider may~~  
6 ~~require parents to provide diapers. A contractor or provider offering~~  
7 ~~field trips either may include the cost of the field trips within the~~  
8 ~~service rate charged to the parent or may charge parents an~~  
9 ~~additional fee. Federal or state money shall not be used to~~  
10 ~~reimburse parents for the costs of field trips if those costs are~~  
11 ~~charged as an additional fee. A contractor or provider that charges~~  
12 ~~parents an additional fee for field trips shall inform parents, before~~  
13 ~~enrolling the child, that a fee may be charged and that no~~  
14 ~~reimbursement will be available.~~

15 ~~(2) A contractor or provider may charge parents for field trips~~  
16 ~~or require parents to provide diapers only under the following~~  
17 ~~circumstances:~~

18 ~~(A) The provider has a written policy that is adopted by the~~  
19 ~~agency's governing board that includes parents in the~~  
20 ~~decisionmaking process regarding both of the following:~~

21 ~~(i) Whether or not, and how much, to charge for field trip~~  
22 ~~expenses.~~

23 ~~(ii) Whether or not to require parents to provide diapers.~~

24 ~~(B) The maximum total of charges per child in a contract year~~  
25 ~~does not exceed twenty-five dollars (\$25).~~

26 ~~(C) A child shall not be denied participation in a field trip due~~  
27 ~~to the parent's inability or refusal to pay the charge. Adverse action~~  
28 ~~shall not be taken against a parent for that inability or refusal.~~

29 ~~(3) Each contractor or provider shall establish a payment system~~  
30 ~~that prevents the identification of children based on whether or~~  
31 ~~not their parents have paid a field trip charge.~~

32 ~~(4) Expenses incurred and income received for field trips~~  
33 ~~pursuant to this section shall be reported to the department. The~~  
34 ~~income received for field trips shall be reported specifically as~~  
35 ~~restricted income.~~

36 ~~(i)~~

37 ~~(g) The Superintendent shall establish guidelines for the~~  
38 ~~collection of employer-sponsored child care benefit payments from~~  
39 ~~a parent whose child receives subsidized child care and~~  
40 ~~development services. These guidelines shall provide for the~~

1 collection of the full amount of the benefit payment, but not to  
2 exceed the actual cost of child care and development services  
3 provided, notwithstanding the applicable fee based on the fee  
4 schedule.

5 ~~(j)~~

6 (h) The Superintendent shall establish guidelines according to  
7 which the director or a duly authorized representative of the child  
8 care and development program will certify children as eligible for  
9 state reimbursement pursuant to this section.

10 ~~(k)~~

11 (i) Public funds shall not be paid directly or indirectly to an  
12 agency that does not pay at least the minimum wage to each of its  
13 employees.

14 *SEC. 11. Section 8263.1 of the Education Code is amended to*  
15 *read:*

16 8263.1. (a) For purposes of this chapter, “income eligible”  
17 means that a family’s adjusted monthly income is at or below 70  
18 percent of the state median income, adjusted for family size, and  
19 adjusted annually.

20 (b) Notwithstanding any other law, for the 2011–12 fiscal year,  
21 the income eligibility limits that were in effect for the 2007–08  
22 fiscal year shall be reduced to 70 percent of the state median  
23 income that was in use for the 2007–08 fiscal year, adjusted for  
24 family size, effective July 1, 2011.

25 (c) Notwithstanding any other law, for the 2012–13 fiscal year,  
26 the income eligibility limits shall be 70 percent of the state median  
27 income that was in use for the 2007–08 fiscal year, adjusted for  
28 family size.

29 (d) *Notwithstanding any other law, for the 2013–14 fiscal year,*  
30 *the income eligibility limits shall be 70 percent of the state median*  
31 *income that was in use for the 2007–08 fiscal year, adjusted for*  
32 *family size.*

33 ~~(e)~~

34 (e) The income of a recipient of federal supplemental security  
35 income benefits pursuant to Title XVI of the federal Social Security  
36 Act (42 U.S.C. Sec. 1381 et seq.) and state supplemental program  
37 benefits pursuant to Title XVI of the federal Social Security Act  
38 and Chapter 3 (commencing with Section 12000) of Part 3 of  
39 Division 9 of the Welfare and Institutions Code shall not be

1 included as income for the purposes of determining eligibility for  
2 child care under this chapter.

3 *SEC. 12. Article 11.5 (commencing with Section 8273) is added*  
4 *to Chapter 2 of Part 6 of Division 1 of Title 1 of the Education*  
5 *Code, to read:*

6

7

*Article 11.5. Family Fees*

8

9 *8273. (a) The Superintendent shall establish a fee schedule*  
10 *for families using preschool and child care and development*  
11 *services pursuant to this chapter, including families receiving*  
12 *services pursuant to paragraph (1) of subdivision (b) of Section*  
13 *8263. It is the intent of the Legislature that the new fee schedule*  
14 *shall be simple and easy to implement.*

15 *(b) The family fee schedule shall retain a flat monthly fee per*  
16 *family. The schedule shall differentiate between fees for part-time*  
17 *care and full-time care.*

18 *(c) Using the most recently approved family fee schedule*  
19 *pursuant to subdivision (f) of Section 8447, families shall be*  
20 *assessed a flat monthly fee based on income, certified family need*  
21 *for full-time or part-time care services, and enrollment, and shall*  
22 *not be based on actual attendance. No recalculation of a family*  
23 *fee shall occur if attendance varies from enrollment unless a*  
24 *change in need for care is assessed.*

25 *(d) The Superintendent shall design the new family fee schedule*  
26 *based on the state median income data that was in use for the*  
27 *2007–08 fiscal year, adjusted for family size. The revised family*  
28 *fee schedule shall begin at income levels at which families currently*  
29 *begin paying fees. The revised fees shall not exceed 10 percent of*  
30 *the family’s monthly income. The Superintendent shall first submit*  
31 *the adjusted fee schedule to the Department of Finance for*  
32 *approval.*

33 *(e) The income of a recipient of federal supplemental security*  
34 *income benefits pursuant to Title XVI of the federal Social Security*  
35 *Act (42 U.S.C. Sec. 1381 et seq.) and state supplemental program*  
36 *benefits pursuant to Title XVI of the federal Social Security Act*  
37 *(42 U.S.C. Sec. 1381 et seq.) and Chapter 3 (commencing with*  
38 *Section 12000) of Part 3 of Division 9 of the Welfare and*  
39 *Institutions Code shall not be included in total countable income*  
40 *for purposes of determining the amount of the family fee.*

1 (f) Family fees shall be assessed at initial enrollment and  
2 reassessed at update of certification or recertification.

3 (g) It is the intent of the Legislature that the new family fees  
4 shall be cost neutral to the state and generate roughly the same  
5 amount of revenue as was generated under the previous family fee  
6 schedule.

7 8273.1. (a) Families receiving services pursuant to  
8 subparagraph (B) of paragraph (1) of subdivision (b) of Section  
9 8263 may be exempt from family fees for up to three months.

10 (b) Families receiving services pursuant to subparagraph (C)  
11 of paragraph (1) of subdivision (b) of Section 8263 may be exempt  
12 from family fees for up to 12 months.

13 (c) The cumulative period time of exemption from family fees  
14 for families receiving services pursuant to paragraph (1) of  
15 subdivision (b) of Section 8263 shall not exceed 12 months.

16 (d) Notwithstanding any other law, a family receiving  
17 CalWORKs cash aid shall not be charged a family fee.

18 8273.2. (a) Notwithstanding paragraph (1) of subdivision (b)  
19 of Section 8447, for the 2006–07 fiscal year, the department shall  
20 update the family fee schedules by family size, based on the 2005  
21 state median income survey data for a family of four. The family  
22 fee schedule used during the 2005–06 fiscal year shall remain in  
23 effect. However, the department shall adjust the family fee schedule  
24 for families that are newly eligible to receive or will continue to  
25 receive services under the new income eligibility limits. The family  
26 fees shall not exceed 10 percent of the family's monthly income.

27 (b) Notwithstanding any other law, the family fee schedule that  
28 was in effect for the 2007–08, 2008–09, 2009–10, and 2010–11  
29 fiscal years shall be adjusted to reflect the income eligibility limits  
30 specified in subdivision (b) of Section 8263.1 for the 2011–12 fiscal  
31 year, and shall retain a flat fee per family. The revised family fee  
32 schedule shall begin at income levels at which families currently  
33 begin paying fees. The revised family fees shall not exceed 10  
34 percent of the family's monthly income. The department shall first  
35 submit the adjusted family fee schedule to the Department of  
36 Finance for approval in order for the adjusted family fee schedule  
37 to be implemented by July 1, 2011.

38 (c) Notwithstanding any other law, the family fee schedule that  
39 was in effect for the 2011–12 fiscal year pursuant to subdivision

1 *(b) shall remain in effect for the 2012–13 fiscal year, and shall*  
2 *retain a flat fee per family.*

3 *(d) Notwithstanding any other law, the family fee schedule that*  
4 *was in effect for the 2012–13 fiscal year pursuant to subdivision*  
5 *(c) shall remain in effect for the 2013–14 fiscal year until the first*  
6 *day of a month that is at least 60 days after the new family fee*  
7 *schedule developed pursuant to Section 8273 has been approved*  
8 *by the Department of Finance and adopted.*

9 *8273.3. (a) The family fee schedule shall provide, among other*  
10 *things, that a contractor or provider may require parents to provide*  
11 *diapers. A contractor or provider offering field trips either may*  
12 *include the cost of the field trips within the service rate charged*  
13 *to the parent or may charge parents an additional fee. Federal or*  
14 *state money shall not be used to reimburse parents for the costs*  
15 *of field trips if those costs are charged as an additional fee. A*  
16 *contractor or provider that charges parents an additional fee for*  
17 *field trips shall inform parents, before enrolling the child, that a*  
18 *fee may be charged and that no reimbursement will be available.*

19 *(b) A contractor or provider may require parents to provide*  
20 *diapers or charge parents for field trips, subject to all of the*  
21 *following conditions:*

22 *(1) The contractor or provider has a written policy adopted by*  
23 *the agency’s governing board that includes parents in the*  
24 *decisionmaking process regarding both of the following:*

25 *(A) Whether or not, and how much, to charge for field trip*  
26 *expenses.*

27 *(B) Whether or not to require parents to provide diapers.*

28 *(2) The contractor or provider does not charge fees in excess*  
29 *of twenty-five dollars (\$25) per child in a contract year.*

30 *(3) The contractor or provider does not deny participation in*  
31 *a field trip due to a parent’s inability or refusal to pay the fee.*

32 *(4) The contractor or provider does not take adverse action*  
33 *against a parent for the parent’s inability or refusal to pay the fee.*

34 *(c) A contractor or provider shall establish a payment system*  
35 *that prevents the identification of children based on whether or*  
36 *not a child’s family has paid field trip fees.*

37 *(d) The contractor or provider shall report expenses incurred*  
38 *and income received for field trips to the department. Income*  
39 *received shall be reported as restricted income.*

1     *SEC. 13. Section 8335.4 of the Education Code is amended to*  
2     *read:*

3     8335.4. (a) Upon approval of the plan by the Child  
4     Development Division of the department, the City and County of  
5     San Francisco shall annually prepare and submit to the Legislature,  
6     the State Department of Social Services, and the department a  
7     report that summarizes the success of the pilot project and the city  
8     and county's ability to maximize the use of funds and to improve  
9     and stabilize child care in the city and county.

10    (b) The City and County of San Francisco shall submit an  
11    interim report to the Legislature, the State Department of Social  
12    Services, and the department on or before December 31, 2010,  
13    and shall submit a final report to those entities on or before June  
14    30, ~~2014~~, 2015, summarizing the impact of the plan on the child  
15    care needs of working families in the city and county.

16    *SEC. 14. Section 8335.5 of the Education Code is amended to*  
17    *read:*

18    8335.5. The City and County of San Francisco may implement  
19    an individualized child care subsidy plan until July 1, ~~2014~~, 2015,  
20    at which date the city and county shall terminate the plan. Between  
21    July 1, ~~2014~~, 2015, and July 1, ~~2016~~, 2017, the city and county  
22    shall phase out the individualized county child care subsidy plan  
23    and, as of July 1, ~~2016~~, 2017, shall implement the state's  
24    requirements for child care subsidies. A child enrolling for the first  
25    time for subsidized child care in the city and county after July 1,  
26    ~~2014~~, 2015, shall not be enrolled in the pilot program established  
27    pursuant to this article and is subject to existing state laws and  
28    regulations regarding child care eligibility and priority.

29    *SEC. 15. Section 8335.7 of the Education Code is amended to*  
30    *read:*

31    8335.7. This article shall become inoperative on July 1, ~~2016~~,  
32    2017, and as of January 1, ~~2017~~, 2018, is repealed, unless a later  
33    enacted statute, that is enacted before January 1, ~~2017~~, 2018,  
34    deletes or extends the dates on which it becomes inoperative and  
35    is repealed.

36    *SEC. 16. Section 8344 of the Education Code is amended to*  
37    *read:*

38    8344. The County of San Mateo may implement its  
39    individualized county child care subsidy plan until January 1, ~~2014~~,  
40    2015, at which date the County of San Mateo shall terminate the

1 plan. Between January 1, ~~2014~~, 2015, and January 1, ~~2016~~, 2017,  
2 the County of San Mateo shall phase out the individualized county  
3 child care subsidy plan and, as of January 1, ~~2016~~, 2017, shall  
4 implement the state’s requirements for child care subsidies. A child  
5 enrolling for the first time for subsidized child care in San Mateo  
6 County after January 1, ~~2014~~, 2015, shall not be enrolled in the  
7 pilot program established pursuant to this article and is subject to  
8 existing state laws and regulations regarding child care eligibility  
9 and priority.

10 *SEC. 17. Section 8346 of the Education Code is amended to*  
11 *read:*

12 8346. This article shall remain in effect only until January 1,  
13 ~~2016~~, 2017, and as of that date is repealed, unless a later enacted  
14 statute, which is enacted before January 1, ~~2016~~, 2017, deletes or  
15 extends that date.

16 *SEC. 18. Section 8447 of the Education Code is amended to*  
17 *read:*

18 8447. (a) The Legislature hereby finds and declares that greater  
19 efficiencies may be achieved in the execution of state subsidized  
20 child care and development program contracts with public and  
21 private agencies by the timely approval of contract provisions by  
22 the Department of Finance, the Department of General Services,  
23 and the State Department of Education and by authorizing the State  
24 Department of Education to establish a multiyear application,  
25 contract expenditure, and service review as may be necessary to  
26 provide timely service while preserving audit and oversight  
27 functions to protect the public welfare.

28 (b) (1) The Department of Finance and the Department of  
29 General Services shall approve or disapprove annual contract  
30 funding terms and conditions, including both family fee schedules  
31 and regional market rate schedules that are required to be adhered  
32 to by contract, and contract face sheets submitted by the State  
33 Department of Education not more than 30 working days from the  
34 date of submission, unless unresolved conflicts remain between  
35 the Department of Finance, the State Department of Education,  
36 and the Department of General Services. The State Department of  
37 Education shall resolve conflicts within an additional 30 working  
38 day time period. Contracts and funding terms and conditions shall  
39 be issued to child care contractors no later than June 1. Applications  
40 for new child care funding shall be issued not more than 45

1 working days after the effective date of authorized new allocations  
2 of child care moneys.

3 (2) Notwithstanding paragraph (1), the State Department of  
4 Education shall implement the regional market rate schedules  
5 based upon the county aggregates, as determined by the Regional  
6 Market survey conducted in 2005.

7 ~~(3) Notwithstanding paragraph (1), for the 2006–07 fiscal year,~~  
8 ~~the State Department of Education shall update the family fee~~  
9 ~~schedules by family size, based on the 2005 state median income~~  
10 ~~survey data for a family of four. The family fee schedule used~~  
11 ~~during the 2005–06 fiscal year shall remain in effect. However,~~  
12 ~~the department shall adjust the family fee schedule for families~~  
13 ~~that are newly eligible to receive or will continue to receive services~~  
14 ~~under the new income eligibility limits. The family fees shall not~~  
15 ~~exceed 10 percent of the family’s monthly income.~~

16 ~~(4) Notwithstanding any other law, the family fee schedule that~~  
17 ~~was in effect for the 2007–08, 2008–09, 2009–10, and 2010–11~~  
18 ~~fiscal years shall be adjusted to reflect the income eligibility limits~~  
19 ~~specified in subdivision (b) of Section 8263.1 for the 2011–12~~  
20 ~~fiscal year, and shall retain a flat fee per family. The revised family~~  
21 ~~fee schedule shall begin at income levels at which families~~  
22 ~~currently begin paying fees. The revised family fees shall not~~  
23 ~~exceed 10 percent of the family’s monthly income. The State~~  
24 ~~Department of Education shall first submit the adjusted fee~~  
25 ~~schedule to the Department of Finance for approval in order to be~~  
26 ~~implemented by July 1, 2011.~~

27 ~~(5) Notwithstanding any other law, the family fee schedule that~~  
28 ~~was in effect for the 2011–12 fiscal year pursuant to paragraph (4)~~  
29 ~~shall remain in effect for the 2012–13 fiscal year, and shall retain~~  
30 ~~a flat fee per family.~~

31 ~~(6)~~

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

34 (c) With respect to subdivision (b), it is the intent of the  
35 Legislature that the Department of Finance annually review  
36 contract funding terms and conditions for the primary purpose of  
37 ensuring consistency between child care contracts and the child  
38 care budget. This review shall include evaluating any proposed  
39 changes to contract language or other fiscal documents to which  
40 the contractor is required to adhere, including those changes to

1 terms or conditions that authorize higher reimbursement rates, that  
2 modify related adjustment factors, that modify administrative or  
3 other service allowances, or that diminish fee revenues otherwise  
4 available for services, to determine if the change is necessary or  
5 has the potential effect of reducing the number of full-time  
6 equivalent children that may be served.

7 (d) Alternative payment child care systems, as set forth in Article  
8 3 (commencing with Section 8220), shall be subject to the rates  
9 established in the Regional Market Rate Survey of California Child  
10 Care Providers for provider payments. The State Department of  
11 Education shall contract to conduct and complete a Regional  
12 Market Rate Survey no more frequently than once every two years,  
13 consistent with federal regulations, with a goal of completion by  
14 March 1.

15 (e) By March 1 of each year, the Department of Finance shall  
16 provide to the State Department of Education the ~~State Median~~  
17 ~~Income~~ *state median income* amount for a four-person household  
18 in California based on the best available data. The State Department  
19 of Education shall adjust its fee schedule for child care providers  
20 to reflect this updated state median income; however, no changes  
21 based on revisions to the state median income amount shall be  
22 implemented midyear.

23 (f) Notwithstanding the June 1 date specified in subdivision (b),  
24 changes to the regional market rate schedules and fee schedules  
25 may be made at any other time to reflect the availability of accurate  
26 data necessary for their completion, provided these documents  
27 receive the approval of the Department of Finance. The Department  
28 of Finance shall review the changes within 30 working days of  
29 submission and the State Department of Education shall resolve  
30 conflicts within an additional 30 working day period. Contractors  
31 shall be given adequate notice ~~prior to~~ *before* the effective date of  
32 the approved schedules. It is the intent of the Legislature that  
33 contracts for services not be delayed by the timing of the  
34 availability of accurate data needed to update these schedules.

35 ~~(g) Notwithstanding any other provision of law, no family~~  
36 ~~receiving CalWORKs cash aid may be charged a family fee.~~

37 *SEC. 19. Section 14041.6 of the Education Code is repealed.*

38 ~~14041.6. (a) Notwithstanding subdivision (a) of Section 14041,~~  
39 ~~or any other law, from the 2008-09 fiscal year to the 2011-12~~  
40 ~~fiscal year, inclusive, warrants for the principal apportionments~~

1 for the month of February in the amount of two billion dollars  
2 (\$2,000,000,000) instead shall be drawn in July of the same  
3 calendar year pursuant to the certification made pursuant to Section  
4 41339. Commencing with the 2012–13 fiscal year, warrants for  
5 the principal apportionments for the month of February in the  
6 amount of five hundred thirty-one million seven hundred twenty  
7 thousand dollars (\$531,720,000) instead shall be drawn in July of  
8 the same calendar year pursuant to the certification made pursuant  
9 to Section 41339.

10 (b) Notwithstanding subdivision (a) of Section 14041 or any  
11 other law, from the 2009–10 fiscal year to the 2011–12 fiscal year,  
12 inclusive, warrants for the principal apportionments for the month  
13 of April in the amount of six hundred seventy-eight million six  
14 hundred eleven thousand dollars (\$678,611,000) and for the month  
15 of May in the amount of one billion dollars (\$1,000,000,000)  
16 instead shall be drawn in August of the same calendar year pursuant  
17 to the certification made pursuant to Section 41339. Commencing  
18 with the 2012–13 fiscal year, warrants for the principal  
19 apportionments for the month of April in the amount of one  
20 hundred seventy-five million seven hundred twenty-eight thousand  
21 dollars (\$175,728,000) and for the month of May in the amount  
22 of one billion one hundred seventy-six million seven hundred one  
23 thousand dollars (\$1,176,701,000) instead shall be drawn in July  
24 of the same calendar year pursuant to the certification made  
25 pursuant to Section 41339.

26 (c) Notwithstanding subdivision (a) of Section 14041 or any  
27 other law, commencing with the 2010–11 fiscal year, warrants for  
28 the principal apportionments for the month of April in the amount  
29 of four hundred nineteen million twenty thousand dollars  
30 (\$419,020,000), for the month of May in the amount of eight  
31 hundred million dollars (\$800,000,000), and for the month of June  
32 in the amount of five hundred million dollars (\$500,000,000)  
33 instead shall be drawn in July of the same calendar year pursuant  
34 to the certification made pursuant to Section 41339.

35 (d) Notwithstanding subdivision (a) of Section 14041 or any  
36 other law, in the 2011–12 fiscal year, warrants for the principal  
37 apportionments for the month of March in the amount of one billion  
38 three hundred million dollars (\$1,300,000,000) and for the month  
39 of April in the amount of seven hundred sixty-three million seven  
40 hundred ninety-four thousand dollars (\$763,794,000) instead shall

1 be drawn in August of the same calendar year pursuant to the  
2 certification made pursuant to Section 41339. Commencing with  
3 the 2012–13 fiscal year, warrants for the principal apportionments  
4 for the month of March in the amount of one billion twenty-nine  
5 million four hundred ninety-three thousand dollars  
6 (\$1,029,493,000) and for the month of April in the amount of seven  
7 hundred sixty-three million seven hundred ninety-four thousand  
8 dollars (\$763,794,000) instead shall be drawn in August of the  
9 same calendar year pursuant to the certification made pursuant to  
10 Section 41339.

11 (e) Except as provided in subdivisions (c) and (e) of Section  
12 41202, for purposes of making the computations required by  
13 Section 8 of Article XVI of the California Constitution, the  
14 warrants drawn pursuant to subdivisions (a), (b), (c), and (d) shall  
15 be deemed to be “General Fund revenues appropriated for school  
16 districts,” as defined in subdivision (c) of Section 41202, for the  
17 fiscal year in which the warrants are drawn and included within  
18 the “total allocations to school districts and community college  
19 districts from General Fund proceeds of taxes appropriated pursuant  
20 to Article XIII B,” as defined in subdivision (c) of Section 41202,  
21 for the fiscal year in which the warrants are drawn.

22 (f) This section shall become inoperative on December 15, 2012,  
23 and, as of January 1, 2013, is repealed, only if the Schools and  
24 Local Public Safety Protection Act of 2012 (Attorney General  
25 reference number 12–0009) is not approved by the voters at the  
26 November 6, 2012, statewide general election, or if the provisions  
27 of that act that modify personal income tax rates do not become  
28 operative due to a conflict with another initiative measure that is  
29 approved at the same election and receives a greater number of  
30 affirmative votes.

31 *SEC. 20. Section 14041.6 is added to the Education Code, to*  
32 *read:*

33 *14041.6. (a) Notwithstanding subdivision (a) of Section 14041,*  
34 *or any other law, for the 2008–09 fiscal year warrants for the*  
35 *principal apportionments for the month of February in the amount*  
36 *of two billion dollars (\$2,000,000,000) instead shall be drawn in*  
37 *July of the same calendar year pursuant to the certification made*  
38 *pursuant to Section 41339.*

39 *(b) Notwithstanding subdivision (a) of Section 14041, or any*  
40 *other law, for the 2009–10 fiscal year warrants for the principal*

1 *apportionments for the month of February in the amount of two*  
2 *billion dollars (\$2,000,000,000) instead shall be drawn in July of*  
3 *the same calendar year and warrants for the month of April in the*  
4 *amount of six hundred seventy-eight million six hundred eleven*  
5 *thousand dollars (\$678,611,000) and for the month of May in the*  
6 *amount of one billion dollars (\$1,000,000,000) instead shall be*  
7 *drawn in August pursuant to the certification made pursuant to*  
8 *Section 41339.*

9 *(c) Notwithstanding subdivision (a) of Section 14041, or any*  
10 *other law, for the 2010–11 fiscal year warrants for the principal*  
11 *apportionments for the month of February in the amount of two*  
12 *billion dollars (\$2,000,000,000), for the month of April in the*  
13 *amount of four hundred nineteen million twenty thousand dollars*  
14 *(\$419,020,000), for the month of May in the amount of eight*  
15 *hundred million dollars (\$800,000,000), and for the month of June*  
16 *in the amount of five hundred million dollars (\$500,000,000)*  
17 *instead shall be drawn in July of the same calendar year and*  
18 *warrants for the month of April in the amount of six hundred*  
19 *seventy-eight million six hundred eleven thousand dollars*  
20 *(\$678,611,000) and for the month of May in the amount of one*  
21 *billion dollars (\$1,000,000,000) instead shall be drawn in August*  
22 *pursuant to the certification made pursuant to Section 41339.*

23 *(d) Notwithstanding subdivision (a) of Section 14041, or any*  
24 *other law, for the 2011–12 fiscal year warrants for the principal*  
25 *apportionments for the month of February in the amount of two*  
26 *billion dollars (\$2,000,000,000), for the month of April in the*  
27 *amount of four hundred nineteen million twenty thousand dollars*  
28 *(\$419,020,000), for the month of May in the amount of eight*  
29 *hundred million dollars (\$800,000,000), and for the month of June*  
30 *in the amount of five hundred million dollars (\$500,000,000)*  
31 *instead shall be drawn in July of the same calendar year and*  
32 *warrants for the month of March in the amount of one billion three*  
33 *hundred million dollars (\$1,300,000,000) and for the month of*  
34 *April in the amount of one billion four hundred forty-two million*  
35 *four hundred five thousand dollars (\$1,442,405,000) and for the*  
36 *month of May in the amount of one billion dollars (\$1,000,000,000)*  
37 *instead shall be drawn in August pursuant to the certification made*  
38 *pursuant to Section 41339.*

39 *(e) Notwithstanding subdivision (a) of Section 14041, or any*  
40 *other law, for the 2012–13 fiscal year warrants for the principal*

1 *apportionments for the month of February in the amount of five*  
2 *hundred thirty-one million seven hundred twenty thousand dollars*  
3 *(\$531,720,000), for the month of April in the amount of five*  
4 *hundred ninety-four million seven hundred forty-eight thousand*  
5 *dollars (\$594,748,000), for the month of May in the amount of one*  
6 *billion nine hundred seventy-six million seven hundred one*  
7 *thousand dollars (\$1,976,701,000), and for the month of June in*  
8 *the amount of five hundred million dollars (\$500,000,000) instead*  
9 *shall be drawn in July of the same calendar year and warrants for*  
10 *the month of March in the amount of one billion twenty-nine million*  
11 *four hundred ninety-three thousand dollars (\$1,029,493,000) and*  
12 *for the month of April in the amount of seven hundred sixty-three*  
13 *million seven hundred ninety-four thousand dollars (\$763,794,000)*  
14 *instead shall be drawn in August pursuant to the certification made*  
15 *pursuant to Section 41339.*

16 *(f) Notwithstanding subdivision (a) of Section 14041, or any*  
17 *other law, commencing with the 2013–14 fiscal year, warrants for*  
18 *the principal apportionments for the month of April in the amount*  
19 *of nine hundred seventeen million five hundred forty-two thousand*  
20 *dollars (\$917,542,000), for the month of May in the amount of two*  
21 *billion one hundred fifty-two million four hundred thirty thousand*  
22 *dollars (\$2,152,430,000), and for the month of June in the amount*  
23 *of five hundred million dollars (\$500,000,000) instead shall be*  
24 *drawn in July of the same calendar year pursuant to the*  
25 *certification made pursuant to Section 41339.*

26 *(g) Notwithstanding subdivision (a) of Section 14041 or any*  
27 *other law, commencing with the 2013–14 fiscal year, warrants for*  
28 *the principal apportionments for the month of May in the amount*  
29 *of two hundred million dollars (\$200,000,000) and for the month*  
30 *of June in the amount of six hundred ninety-nine million four*  
31 *hundred seventy-three thousand dollars (\$699,473,000) instead*  
32 *shall be drawn in July of the same calendar year pursuant to the*  
33 *certification made pursuant to Section 41339. The Superintendent*  
34 *shall allocate this deferred amount and repayment to local*  
35 *educational agencies based on their proportionate share of funding*  
36 *appropriated to local educational agencies pursuant to Section*  
37 *92 of Chapter 38 of the Statutes of 2012.*

38 *(h) Except as provided in subdivisions (c) and (e) of Section*  
39 *41202, for purposes of making the computations required by*  
40 *Section 8 of Article XVI of the California Constitution, the warrants*

1 drawn pursuant to subdivisions (a) to (g), inclusive, shall be  
 2 deemed to be “General Fund revenues appropriated for school  
 3 districts,” as defined in subdivision (c) of Section 41202, for the  
 4 fiscal year in which the warrants are drawn and included within  
 5 the “total allocations to school districts and community college  
 6 districts from General Fund proceeds of taxes appropriated  
 7 pursuant to Article XIII B,” as defined in subdivision (e) of Section  
 8 41202, for the fiscal year in which the warrants are drawn.

9 (i) Notwithstanding subdivision (h), for purposes of making the  
 10 computations required by Section 8 of Article XVI of the California  
 11 Constitution, one billion five hundred ninety million four hundred  
 12 forty-nine thousand dollars (\$1,590,449,000) of the warrants  
 13 drawn in August of 2013 pursuant to subdivision (e) shall be  
 14 deemed to be “General Fund revenues appropriated for school  
 15 districts,” as defined in subdivision (c) of Section 41202, for the  
 16 2012–13 fiscal year, and included within the “total allocations to  
 17 school districts and community college districts from General  
 18 Fund proceeds of taxes appropriated pursuant to Article XIII B,”  
 19 as defined in subdivision (e) of Section 41202, for the 2012–13  
 20 fiscal year.

21 SEC. 21. Section 17457.5 of the Education Code is amended  
 22 to read:

23 17457.5. (a) Notwithstanding Article 8 (commencing with  
 24 Section 54220) of Chapter 5 of Part 1 of Division 2 of Title 5 of  
 25 the Government Code, the governing board of a school district  
 26 seeking to sell or lease real property designed to provide direct  
 27 instruction or instructional support it deems to be surplus property  
 28 shall first offer that property for sale or lease to any charter school  
 29 that, *at the time of the offer, has projections of at least 80 units of*  
 30 *in-district average daily attendance for the following fiscal year,*  
 31 *and* has submitted a written request to the school district to be  
 32 notified of surplus property offered for sale or lease by the school  
 33 district, pursuant to the following conditions:

34 (1) The real property sold or leased shall be used by the charter  
 35 school exclusively to provide direct instruction or instructional  
 36 support, ~~for a period of not less than five years from the date upon~~  
 37 ~~which the real property is made available to that charter school,~~  
 38 ~~pursuant to the sale, or, in the event of a lease, until the real~~  
 39 ~~property is returned to the possession of the school district,~~  
 40 ~~whichever occurs earlier.~~ *support.*

1 ~~(2) In the event that the charter school fails to comply with the~~  
2 ~~condition set forth in paragraph (1), the charter school that~~  
3 ~~purchased the real property is required to immediately offer that~~  
4 ~~real property for sale pursuant to this article and Article 5~~  
5 ~~(commencing with Section 17485) and to sell the property pursuant~~  
6 ~~to those provisions. The charter school shall comply, in that regard,~~  
7 ~~with all requirements under those provisions that would otherwise~~  
8 ~~apply to a school district, except that a sale price computed under~~  
9 ~~subdivision (a) of Section 17491 shall be based upon the cost of~~  
10 ~~acquisition incurred by the school district that sold the property~~  
11 ~~pursuant to this subdivision, rather than that incurred by the charter~~  
12 ~~school. In the event, alternatively, of a lease of real property~~  
13 ~~pursuant to this subdivision, the failure by the charter school to~~  
14 ~~comply with paragraph (1) shall constitute a breach of the lease,~~  
15 ~~entitling the school district to immediate possession of the real~~  
16 ~~property, in addition to any damages to which the school district~~  
17 ~~may be entitled under the lease agreement.~~

18 *(2) If the charter school purchased real property pursuant to*  
19 *this section and fails to comply with paragraph (1), or otherwise*  
20 *desires to dispose of the real property, all of the following shall*  
21 *apply:*

22 *(A) The charter school shall immediately offer that real property*  
23 *for sale to the school district that previously owned the property.*  
24 *The charter school shall comply, in that regard, with all*  
25 *requirements under this section that would otherwise apply to a*  
26 *school district.*

27 *(B) If the school district does not desire to purchase that real*  
28 *property from the charter school, the school district shall furnish*  
29 *a list of charter schools that have requested notification of surplus*  
30 *property pursuant to subdivision (a). The charter school that owns*  
31 *the real property shall offer that real property for sale to the*  
32 *charter schools on this list and comply with all requirements under*  
33 *this section that would otherwise apply to a school district. In the*  
34 *event the charter school selling property receives more than one*  
35 *offer, the charter school may determine to which charter school*  
36 *it will sell the property. The charter school purchasing the real*  
37 *property shall comply with all provisions of this section.*

38 *(C) If that real property remains unsold pursuant to*  
39 *subparagraph (A) or (B), the charter school selling the real*  
40 *property shall offer that property for sale pursuant to Article 5*

1 *(commencing with Section 17485). The charter school shall comply*  
2 *with all requirements under that article that would otherwise apply*  
3 *to a school district, except that a sale price computed under*  
4 *subdivision (a) of Section 17491 shall be based upon the cost of*  
5 *acquisition incurred by the school district that sold the property*  
6 *pursuant to this subdivision, rather than that incurred by the*  
7 *charter school.*

8 *(D) If all or part of the real property remains unsold pursuant*  
9 *to subparagraph (C), the charter school selling that real property*  
10 *shall dispose of the remaining property pursuant to subdivisions*  
11 *(c), (d), (e), and (f) of Section 17464. References in Section 17464*  
12 *to a school district shall mean the charter school selling the real*  
13 *property.*

14 *(3) In the event, alternatively, of a lease of real property*  
15 *pursuant to this subdivision, the failure by the charter school to*  
16 *comply with paragraph (1) shall constitute a breach of the lease,*  
17 *entitling the school district to immediate possession of the real*  
18 *property, in addition to any damages to which the school district*  
19 *may be entitled under the lease agreement.*

20 ~~(3)~~

21 *(4) The school district, and each of the entities authorized to*  
22 *receive offers of sale pursuant to this article or Article 5*  
23 *(commencing with Section 17485), has standing to enforce the*  
24 *conditions set forth in this subdivision, and shall be entitled to the*  
25 *payment of reasonable attorney's fees incurred as a prevailing*  
26 *party in any action or proceeding brought to enforce any of those*  
27 *conditions.*

28 *(b) A school district seeking to sell or lease real property*  
29 *designed to provide direct instruction or instructional support it*  
30 *deems to be surplus property shall provide a written offer to any*  
31 *charter school that, at the time of the offer, has projections of at*  
32 *least 80 units of in-district average daily attendance for the*  
33 *following fiscal year, and has submitted a written request to the*  
34 *school district to be notified of surplus property offered for sale*  
35 *or lease by the school district. A charter school desiring to purchase*  
36 *or lease the property shall, within 60 days after a written offer is*  
37 *received, notify the school district of its intent to purchase or lease*  
38 *the property. In the event more than one charter school notifies*  
39 *the school district of their intent to purchase or lease the property,*

1 the governing board of the school district may determine to which  
2 charter school to sell or lease the property.

3 (c) The price at which property described in this section is sold  
4 pursuant to this section shall not exceed the school district's cost  
5 of acquisition, adjusted by a factor equivalent to the percentage  
6 increase or decrease in the cost of living from the date of purchase  
7 to the year in which the offer of sale is made, plus the cost of any  
8 school facilities construction undertaken on the property by the  
9 school district since its acquisition of the land, adjusted by a factor  
10 equivalent to the increase or decrease in the statewide cost index  
11 for class B construction, as annually determined by the State  
12 Allocation Board pursuant to Section 17072.10, from the year the  
13 improvement is completed to the year in which the sale is made.  
14 In the event a statewide cost index for class B construction is not  
15 available, the school district shall use a factor equal to the average  
16 statewide cost index for class B construction for the preceding 10  
17 calendar years. In no event shall the price be less than 25 percent  
18 of the fair market value of the property described in this section  
19 or less than the amount necessary to retire the share of local bonded  
20 indebtedness plus the amount of the original cost of the approved  
21 state aid applications on the property. The percentage of annual  
22 increase or decrease in the cost of living shall be the amount shown  
23 for January 1 of the applicable year by the then current Bureau of  
24 Labor Statistics Consumers Price Index for the area in which the  
25 schoolsite is located.

26 (d) Land that is leased pursuant to this section shall be leased  
27 at an annual rate of not more than 5 percent of the maximum sales  
28 price determined pursuant to subdivision (c), adjusted annually by  
29 a factor equivalent to the percentage increase or decrease in the  
30 cost of living for the immediately preceding year. The percentage  
31 of annual increase or decrease in the cost of living shall be the  
32 amount shown for January 1 of the applicable year by the then  
33 current Bureau of Labor Statistics Consumers Price Index for the  
34 area in which the schoolsite is located.

35 (e) The sale or lease of the real property of a school district, as  
36 authorized under subdivision (a), shall not occur until the school  
37 district advisory committee has held hearings pursuant to  
38 subdivision (c) of Section 17390.

39 (f) This section shall only apply to real property identified by  
40 a school district as surplus property after July 1, 2012. *A school*

1 *district selling or leasing surplus property is not required to offer*  
2 *that property to a charter school pursuant to this section on or*  
3 *after July 1, 2016.*

4 ~~(g) This section shall become inoperative on June 30, 2013,~~  
5 ~~and, as of January 1, 2014, is repealed, unless a later enacted~~  
6 ~~statute, that becomes operative on or before January 1, 2014,~~  
7 ~~deletes or extends the dates on which it becomes inoperative and~~  
8 ~~is repealed.~~

9 (g) *The construction of a school building, as defined in Section*  
10 *17368, located on real property purchased by a charter school*  
11 *pursuant to this section shall comply with the design and*  
12 *construction requirements pursuant to Article 3 (commencing with*  
13 *Section 17280) and Article 6 (commencing with Section 17365).*  
14 *The reconstruction or alteration of, or an addition to, a school*  
15 *building, as defined in Section 17368, located on real property*  
16 *purchased by a charter school pursuant to this section is required*  
17 *to comply with the design and construction requirements pursuant*  
18 *to Article 3 (commencing with Section 17280) and Article 6*  
19 *(commencing with Section 17365) only if the building complied*  
20 *with those sections on the date the real property was purchased*  
21 *by the charter school.*

22 (h) *A charter school selling real property obtained pursuant to*  
23 *this section shall use the proceeds only for capital outlay,*  
24 *maintenance, and other facility-related costs.*

25 SEC. 22. *Section 17463.7 of the Education Code is amended*  
26 *to read:*

27 17463.7. (a) *Notwithstanding any other law, a school district*  
28 *may deposit the proceeds from the sale of surplus real property,*  
29 *together with any personal property located on the property,*  
30 *purchased entirely with local funds, into the general fund of the*  
31 *school district and may use the proceeds for any one-time general*  
32 *fund purpose. If the purchase of the property was made using the*  
33 *proceeds of a local general obligation bond or revenue derived*  
34 *from developer fees, the amount of the proceeds of the transaction*  
35 *that may be deposited into the general fund of the school district*  
36 *may not exceed the percentage computed by the difference between*  
37 *the purchase price of the property and the proceeds from the*  
38 *transaction, divided by the amount of the proceeds of the*  
39 *transaction. For the purposes of this section, proceeds of the*  
40 *transaction means either of the following, as appropriate:*

1 (1) The amount realized from the sale of property after  
2 reasonable expenses related to the sale.

3 (2) For a transaction that does not result in a lump-sum payment  
4 of the proceeds of the transaction, the proceeds of the transaction  
5 shall be calculated as the net present value of the future cashflow  
6 generated by the transaction.

7 (b) The State Allocation Board shall reduce an apportionment  
8 of hardship assistance awarded to the particular school district  
9 pursuant to Article 8 (commencing with Section 17075.10) by an  
10 amount equal to the amount of the sale of surplus real property  
11 used for a one-time expenditure of the school district pursuant to  
12 this section.

13 (c) If the school district exercises the authority granted pursuant  
14 to this section, the district is ineligible for hardship funding from  
15 the State School Deferred Maintenance Fund under Section 17587  
16 for five years after the date proceeds are deposited into the general  
17 fund pursuant to this section.

18 (d) Before a school district exercises the authority granted  
19 pursuant to this section, the governing board of the school district  
20 shall first submit to the State Allocation Board documents  
21 certifying the following:

22 (1) The school district has no major deferred maintenance  
23 requirements not covered by existing capital outlay resources.

24 (2) The sale of real property pursuant to this section does not  
25 violate the provisions of a local bond act.

26 (3) The real property is not suitable to meet projected school  
27 construction needs for the next 10 years.

28 (e) Before the school district exercises the authority granted  
29 pursuant to this section, the governing board of the school district  
30 at a regularly scheduled meeting shall present a plan for expending  
31 one-time resources pursuant to this section. The plan shall identify  
32 the source and use of the funds and describe the reasons why the  
33 expenditure will not result in ongoing fiscal obligations for the  
34 school district.

35 (f) The Office of Public School Construction shall submit an  
36 interim and a final report to the State Allocation Board and the  
37 budget, education policy, and fiscal committees of the Legislature  
38 that identifies the school districts that have exercised the authority  
39 granted by this section, the amount of proceeds involved, and the  
40 ~~purpose~~ *purposes* for which those proceeds were used. The interim

1 report shall be submitted by January 1, 2011, and the final report  
2 by January 1, ~~2014~~ 2015.

3 (g) This section shall remain in effect only until January 1, ~~2014~~,  
4 2016 and as of that date is repealed, unless a later enacted statute,  
5 that is enacted before January 1, ~~2014~~, 2016 deletes or extends  
6 that date.

7 *SEC. 23. Section 17592.71 of the Education Code is amended*  
8 *to read:*

9 17592.71. (a) There is hereby established in the State Treasury  
10 the School Facilities Emergency Repair Account. The State  
11 Allocation Board shall administer the account.

12 (b) (1) Commencing with the 2005–06 fiscal year, an amount  
13 of moneys shall be transferred in the annual Budget Act from the  
14 Proposition 98 Reversion Account to the School Facilities  
15 Emergency Repair Account, equaling 50 percent of the  
16 unappropriated balance of the Proposition 98 Reversion Account  
17 or one hundred million dollars (\$100,000,000), whichever amount  
18 is greater. Moneys transferred pursuant to this subdivision shall  
19 be used for the purpose of addressing emergency facilities needs  
20 pursuant to Section 17592.72.

21 (2) Notwithstanding paragraph (1), for the 2008–09 fiscal year,  
22 the amount of money to be transferred from the Proposition 98  
23 Reversion Account to the School Facilities Emergency Repair  
24 Account pursuant to paragraph (1) shall not exceed one hundred  
25 one million dollars (\$101,000,000).

26 (3) Notwithstanding paragraph (1), for the 2009–10 fiscal year,  
27 the amount of money to be transferred from the Proposition 98  
28 Reversion Account to the School Facilities Emergency Repair  
29 Account pursuant to paragraph (1) shall be zero *dollars (\$0)*.

30 (4) Notwithstanding paragraph (1), for the 2010–11 fiscal year,  
31 the amount of money to be transferred from the Proposition 98  
32 Reversion Account to the School Facilities Emergency Repair  
33 Account pursuant to paragraph (1) shall be zero *dollars (\$0)*.

34 (5) Notwithstanding paragraph (1), for the 2011–12 fiscal year,  
35 the amount of money to be transferred from the Proposition 98  
36 Reversion Account to the School Facilities Emergency Repair  
37 Account pursuant to paragraph (1) shall be zero *dollars (\$0)*.

38 (6) Notwithstanding paragraph (1), for the 2012–13 *and* 2013–14  
39 ~~fiscal year~~, *years*, the amount of money to be transferred from the  
40 Proposition 98 Reversion Account to the School Facilities

1 Emergency Repair Account pursuant to paragraph (1) shall be zero  
2 *dollars (\$0).*

3 (c) The Legislature may transfer to the School Facilities  
4 Emergency Repair Account other one-time Proposition 98 funds,  
5 except funds specified pursuant to Section 41207, as repealed and  
6 added by Section 6 of Chapter 216 of the Statutes of 2004.  
7 Donations by private entities shall be deposited in the account and,  
8 for tax purposes, be treated as otherwise provided by law.

9 (d) Funds shall be transferred pursuant to this section until a  
10 total of eight hundred million dollars (\$800,000,000) has been  
11 disbursed from the School Facilities Emergency Repair Account.

12 *SEC. 24. Section 38092 of the Education Code is repealed.*

13 ~~38092. The governing board of any school district with an  
14 average daily attendance of over 100,000 may allow as an  
15 expenditure from the cafeteria fund or account a share of money  
16 agreed upon pursuant to a contract, which is generated from the  
17 joint sale of items between the cafeteria and an associated student  
18 body student store. The expenditure must result from an agreement  
19 entered into by the cafeteria and the associated student body in  
20 which pupils will participate in the operation of the store.~~

21 *SEC. 25. Section 38102 of the Education Code is repealed.*

22 ~~38102. The governing board of any school district operating  
23 school cafeterias may establish and maintain a cafeteria fund  
24 reserve for the purchase, lease, maintenance, or replacement of  
25 cafeteria equipment, to be known as the cafeteria equipment  
26 reserve. The funds for this reserve are to be derived from the sales  
27 of food in the school cafeterias in an amount to be determined by  
28 the governing board and may be accumulated from year to year  
29 until expended for this purpose. Funds in the cafeteria equipment  
30 reserve shall only be used for the purchase, lease, maintenance, or  
31 replacement of cafeteria equipment.~~

32 ~~Nothing in this section shall prohibit any school district from  
33 replacing cafeteria equipment from district funds as provided in  
34 Section 38100.~~

35 *SEC. 26. Section 41203.1 of the Education Code is amended  
36 to read:*

37 41203.1. (a) For the 1990–91 fiscal year and each fiscal year  
38 thereafter, allocations calculated pursuant to Section 41203 shall  
39 be distributed in accordance with calculations provided in this  
40 section. Notwithstanding Section 41203, and for purposes of this

1 section, school districts, community college districts, and direct  
2 elementary and secondary level instructional services provided by  
3 the State of California shall be regarded as separate segments of  
4 public education, and each of these three segments of public  
5 education shall be entitled to receive respective shares of the  
6 amount calculated pursuant to Section 41203 as though the  
7 calculation made pursuant to subdivision (b) of Section 8 of Article  
8 XVI of the California Constitution were to be applied separately  
9 to each segment and the base year for purposes of this calculation  
10 under paragraph (1) of subdivision (b) of Section 8 of Article XVI  
11 of the California Constitution were based on the 1989–90 fiscal  
12 year. Calculations made pursuant to this subdivision shall be made  
13 so that each segment of public education is entitled to the greater  
14 of the amounts calculated for that segment pursuant to paragraph  
15 (1) or (2) of subdivision (b) of Section 8 of Article XVI of the  
16 California Constitution.

17 (b) If the single calculation made pursuant to Section 41203  
18 yields a guaranteed amount of funding that is less than the sum of  
19 the amounts calculated pursuant to subdivision (a), the amount  
20 calculated pursuant to Section 41203 shall be prorated for the three  
21 segments of public education.

22 (c) Notwithstanding any other law, this section does not apply  
23 to the 1992–93 to ~~2012–13~~ 2013–14 fiscal years, inclusive.

24 *SEC. 27. Section 41325 of the Education Code is amended to*  
25 *read:*

26 41325. (a) The Legislature finds and declares that when a  
27 school district becomes insolvent and requires an emergency  
28 apportionment from the state in the amount designated in this  
29 article, it is necessary that the Superintendent of ~~Public Instruction~~  
30 assume control of the district in order to ensure the district's return  
31 to fiscal solvency.

32 (b) It is the intent of the Legislature that the Superintendent of  
33 ~~Public Instruction~~, operating through an appointed administrator,  
34 do all of the following:

35 (1) Implement substantial changes in the *school* district's fiscal  
36 policies and practices, including, if necessary, the filing of a  
37 petition under Chapter 9 of the federal Bankruptcy Code for the  
38 adjustment of indebtedness.

39 (2) Revise the *school* district's educational program to reflect  
40 realistic income projections, in response to the dramatic effect of

1 the changes in fiscal policies and practices upon educational  
2 program quality and the potential for the success of all pupils.

3 (3) Encourage all members of the school community to accept  
4 a fair share of the burden of the *school* district’s fiscal recovery.

5 (4) Consult, for the purposes described in this subdivision, with  
6 the school district governing board, the exclusive representatives  
7 of the employees of the *school* district, parents, and the community.

8 (5) Consult with and seek recommendations from the county  
9 superintendent of schools for the purposes described in this  
10 subdivision.

11 (c) *For purposes of this article, the Superintendent may also*  
12 *appoint a trustee with the powers and responsibilities of an*  
13 *administrator, as set forth in this article.*

14 *SEC. 28. Section 41329.52 of the Education Code is amended*  
15 *to read:*

16 41329.52. (a) A school district may receive a two-part  
17 financing designed to provide an advance of apportionments owed  
18 to the district from the State School Fund *and the Education*  
19 *Protection Account.*

20 (b) The initial emergency apportionment shall be an interim  
21 loan from the General Fund to the school district. General Fund  
22 money shall not be advanced to a school district until that district  
23 agrees to obtain a lease financing as described in subdivision (c)  
24 and the bank adopts a reimbursement resolution governing the  
25 lease financing. The interim loan shall be repaid in full, with  
26 interest, from the proceeds of the lease financing pursuant to  
27 subdivision (c) at a time mutually agreed upon between the  
28 Department of Finance and the bank. The interest rate on the  
29 interim loan shall be the rate earned by moneys in the Pooled  
30 Money Investment Account as of the date of the initial  
31 disbursement of emergency apportionments to the school district.

32 (c) The school district shall enter into a lease financing with the  
33 bank for the purpose of financing the emergency apportionment,  
34 including a repayment to the General Fund of the amount advanced  
35 pursuant to subdivision (b). In addition to the emergency  
36 apportionment, the lease financing may include funds necessary  
37 for reserves, capitalized interest, credit enhancements, and costs  
38 of issuance. The bank shall issue bonds for that purpose pursuant  
39 to the powers granted pursuant to the Bergeson-Peace Infrastructure  
40 and Economic Development Bank Act as set forth in Division 1

1 (commencing with Section 63000) of Part 6.7 of the Government  
2 Code. The term of the lease shall not exceed 20 years, except that  
3 if at the end of the lease term any rent payable is not fully paid, or  
4 if the rent payable has been abated, the term of the lease shall be  
5 extended for a period not to exceed 10 years.

6 *SEC. 29. Section 41329.53 of the Education Code is amended*  
7 *to read:*

8 41329.53. (a) As an alternative to the lease financing pursuant  
9 to Section 41329.52, a school district may receive an emergency  
10 apportionment from the General Fund designed to provide an  
11 advance of apportionments owed to the district from the State  
12 School Fund *and the Education Protection Account*. The  
13 emergency apportionment shall be repaid within 20 years. The  
14 calculation of the amount of the apportionment, including implied  
15 costs, and the interest rate shall be calculated pursuant to  
16 subdivision (b). Each year the Superintendent of ~~Public Instruction~~  
17 shall withhold from the apportionments to be made to the *school*  
18 district from the State School Fund *and the Education Protection*  
19 *Account* an amount equal to the emergency apportionment  
20 repayment that becomes due in the year.

21 (b) The determination by statute as to whether the emergency  
22 apportionment shall take the form of lease financing pursuant to  
23 Section 41329.52 or an emergency apportionment from the General  
24 Fund pursuant to this section shall be based upon the availability  
25 of funds within the General Fund and not on any cost differential  
26 between the two financing mechanisms. To ensure that the two  
27 alternatives are cost neutral, if the statute does not authorize a lease  
28 financing, the bank shall commission a cost study from financial  
29 advisers under contract with the bank to determine the interest  
30 rate, costs of issuance, and if it is more cost effective, credit  
31 enhancement costs likely if the financing was a lease financing  
32 rather than an emergency apportionment from the General Fund.  
33 These implied lease costs shall be included as the fixed interest  
34 rate on the repayment of the emergency apportionment to the  
35 General Fund, repayable over 20 years.

36 *SEC. 30. Section 41329.55 of the Education Code is amended*  
37 *to read:*

38 41329.55. (a) Simultaneous with the execution of the lease  
39 financing authorized pursuant to Section 41329.52, the bank shall  
40 provide to the Controller and the school district a notification of

1 its lease financing. The notice shall include a schedule of rent  
2 payments to become due to the bank from the school district and  
3 the bond trustee. The Controller shall make the apportionment to  
4 the bond trustee of those amounts on the dates shown on the  
5 schedule. The bank may further authorize the apportionments to  
6 be used to pay or reimburse the provider of any credit enhancement  
7 of bonds and other ongoing or periodic ancillary costs of the bond  
8 financing issued by the bank in connection with this article. If the  
9 amount of rent payments vary from the schedule as a result of  
10 variable interest rates on the bonds, early redemptions, or changes  
11 in expenses, the bank shall amend or supplement the schedule  
12 accordingly.

13 (b) Except where financing is for a community college district,  
14 the Controller shall make the apportionment only from moneys in  
15 Section A of the State School Fund *and the Education Protection*  
16 *Account* designated for apportionment to the district and any  
17 apportionment authorized pursuant to this subdivision shall  
18 constitute a lien senior to any other apportionment or payment of  
19 State School Fund *and the Education Protection Account* moneys  
20 to or for that district not made pursuant to this subdivision.

21 (c) If financing is for the Compton Community College District,  
22 the Controller shall make the apportionment only from moneys in  
23 Section B of the State School Fund. Any apportionment authorized  
24 pursuant to this subdivision shall constitute a lien senior to any  
25 other apportionment or payment of Section B State School Fund  
26 moneys.

27 (d) The amount apportioned for a school district pursuant to  
28 this section is an allocation to the *school* district for purposes of  
29 subdivision (b) of Section 8 of Article XVI of the California  
30 Constitution. For purposes of computing revenue limits pursuant  
31 to Section 42238 for any school district, the revenue limit for any  
32 fiscal year in which funds are apportioned for the *school* district  
33 pursuant to this section shall include any amounts apportioned by  
34 the Controller pursuant to subdivisions (a), (b), and (c), as well as  
35 Section 41329.57.

36 (e) No party, including the school district or any of its creditors,  
37 shall have any claim to the money apportioned or to be apportioned  
38 to the bond trustee by the Controller pursuant to this section.

39 *SEC. 31. Section 41329.57 of the Education Code is amended*  
40 *to read:*

1 41329.57. (a) (1) Pursuant to a schedule provided to the  
2 Controller by the bank, the Controller shall transfer from Section  
3 A of the State School Fund *and the Education Protection Account*  
4 the amount of funds necessary to pay the warrants issued pursuant  
5 to paragraph (2) so that the effective cost of the lease financing  
6 provided to the Oakland Unified School District, the Vallejo City  
7 Unified School District, and the West Contra Costa Unified School  
8 District pursuant to this article shall be equal to the cost of the  
9 original General Fund emergency loan made to each *school* district.

10 (A) For ~~the~~ purposes of determining the cost of the original  
11 emergency loan for the West Contra Costa Unified School District,  
12 the original interest rate is the rate established pursuant to Section  
13 41474 of 1.532 percent.

14 (B) For ~~the~~ purposes of determining the cost of the original  
15 emergency loan for the Oakland Unified School District, the  
16 original interest rate is 1.778 percent. This rate shall also apply to  
17 any disbursements of the loan pursuant to Chapter 14 of the  
18 Statutes of 2003 that are subsequent to August 23, 2004.

19 (C) For ~~the~~ purposes of determining the cost of the original  
20 emergency loan for the Vallejo City Unified School District, the  
21 original interest rate is 1.5 percent. This rate shall also apply to  
22 any disbursements of the loan pursuant to Chapter 53 of the  
23 Statutes of 2004 that are subsequent to August 23, 2004.

24 (2) The executive director or chair of the bank shall periodically  
25 provide a schedule to the Controller and each school district of the  
26 actual amount of the difference between the cost of the lease  
27 financing compared to the cost of the original emergency loan for  
28 each *school* district for each year and the Controller shall issue  
29 warrants to each school district pursuant to the schedule. Payments  
30 to a *school* district shall occur only during the term of the loan for  
31 that district and shall be made no sooner than the corresponding  
32 payments are made to the bond trustee under the lease financing  
33 for that district.

34 (3) For purposes of making the computations required by Section  
35 8 of Article XVI of the California Constitution, the warrants issued  
36 pursuant to paragraph (2) are “General Fund revenues appropriated  
37 ~~to~~ *for* school districts,” as defined in subdivision (c) of Section  
38 41202 for the fiscal years in which the warrants are issued and  
39 included within the “total allocations to school districts and  
40 community college districts from General Fund proceeds of taxes

1 appropriated pursuant to Article XIII—~~B~~<sup>2</sup> B,” as defined in  
2 subdivision (e) of Section 41202, for the fiscal years in which the  
3 warrants are issued.

4 (b) It is the intent of the Legislature that the financing cost  
5 subsidies funded in this section not be deemed precedent nor in  
6 conflict with Section 41329.53, as these *school* districts requested  
7 loans ~~prior to~~ *before* the enactment of this article.

8 *SEC. 32. Section 41365 of the Education Code is amended to*  
9 *read:*

10 41365. (a) The Charter School Revolving Loan Fund is hereby  
11 created in the State Treasury. The Charter School Revolving Loan  
12 Fund shall be ~~comprised~~ *composed* of federal funds obtained by  
13 the state for charter schools and any other funds appropriated or  
14 transferred to the fund through the annual budget process. Funds  
15 appropriated to the Charter School Revolving Loan Fund shall  
16 remain available for ~~the~~ purposes of the fund until reappropriated  
17 or reverted by the Legislature through the annual Budget Act or  
18 any other act.

19 (b) *Commencing with the 2013–14 fiscal year, the Charter*  
20 *School Revolving Loan Fund shall be administered by the*  
21 *California School Finance Authority.*

22 ~~(b)~~  
23 (c) Loans may be made from moneys in the Charter School  
24 Revolving Loan Fund to a chartering authority for charter schools  
25 that are not a conversion of an existing school, or directly to a  
26 charter school that qualifies to receive funding pursuant to Chapter  
27 6 (commencing with Section 47630) that is not a conversion of an  
28 existing school, upon application of a chartering authority or charter  
29 school and approval by the ~~Superintendent of Public Instruction~~  
30 *California School Finance Authority*. Money loaned to a chartering  
31 authority for a charter school, or to a charter school, pursuant to  
32 this section shall be used only to meet the purposes of the charter  
33 granted pursuant to Section 47605. The loan to a chartering  
34 authority for a charter school, or to a charter school, pursuant to  
35 this subdivision shall not exceed two hundred fifty thousand dollars  
36 (\$250,000) over the lifetime of the charter school. A charter school  
37 may receive money obtained from multiple loans made directly  
38 to the charter school or to the school’s chartering authority from  
39 the Charter School Revolving Loan Fund, as long as the total  
40 amount received from the fund over the lifetime of the charter

1 school does not exceed two hundred fifty thousand dollars  
 2 (\$250,000). This subdivision does not apply to a charter school  
 3 that obtains renewal of a charter pursuant to Section 47607.

4 ~~(e)~~

5 ~~(d) The Superintendent of Public Instruction California School~~  
 6 ~~Finance Authority~~ may consider all of the following when making  
 7 a determination as to the approval of a charter school's loan  
 8 application:

9 (1) Soundness of the financial business plans of the applicant  
 10 charter school.

11 (2) Availability of the charter school of other sources of funding.

12 (3) Geographic distribution of loans made from the Charter  
 13 School Revolving Loan Fund.

14 (4) The impact that receipt of funds received pursuant to this  
 15 section will have on the charter school's receipt of other private  
 16 and public financing.

17 (5) Plans for creative uses of the funds received pursuant to this  
 18 section, such as loan guarantees or other types of credit  
 19 enhancements.

20 (6) The financial needs of the charter school.

21 ~~(d)~~

22 ~~(e) Priority for loans from the Charter School Revolving Loan~~  
 23 ~~Fund shall be given to new charter schools for startup costs.~~

24 ~~(e)~~

25 ~~(f) Commencing with the first fiscal year following the fiscal~~  
 26 ~~year the charter school receives the loan, the Controller shall deduct~~  
 27 ~~from apportionments made to the chartering authority or charter~~  
 28 ~~school, as appropriate, an amount equal to the annual repayment~~  
 29 ~~of the amount loaned to the chartering authority or charter school~~  
 30 ~~for the charter school under this section and pay the same amount~~  
 31 ~~into the Charter School Revolving Loan Fund in the State Treasury.~~  
 32 ~~Repayment of the full amount loaned to the chartering authority~~  
 33 ~~shall be deducted by the Controller in equal annual amounts over~~  
 34 ~~a number of years agreed upon between the loan recipient and the~~  
 35 ~~State Department of Education California School Finance~~  
 36 ~~Authority, not to exceed five years for any loan.~~

37 ~~(f)~~

38 ~~(g) (1) Notwithstanding any other provisions of law, a loan~~  
 39 ~~may be made directly to a charter school pursuant to this section~~  
 40 ~~only in the case of a charter school that is incorporated.~~

1 (2) Notwithstanding ~~any other provisions of~~ law, in the case of  
2 default of a loan made directly to a charter school pursuant to this  
3 section, the charter school shall be solely liable for repayment of  
4 the loan.

5 (h) *The California School Finance Authority shall adopt*  
6 *emergency regulations to implement this section and Sections*  
7 *41366.6 and 41367.*

8 *SEC. 33. Section 41366.6 of the Education Code is amended*  
9 *to read:*

10 41366.6. (a) ~~The department~~ *California School Finance*  
11 *Authority* shall monitor the adequacy of the amount of funds in  
12 the Charter School Revolving Loan Fund and report annually to  
13 the Department of Finance and the Controller on the need, if any,  
14 to transfer funds from the Charter School Security Fund to the  
15 Charter School Revolving Loan Fund for the sole purpose of  
16 replacing funds lost in the Charter School Revolving Loan Fund  
17 due to loan defaults. Before requesting any transfer of funds from  
18 the Charter School Security Fund, ~~the department~~ *California School*  
19 *Finance Authority* shall make all reasonable efforts to recover  
20 funds directly from the defaulting loan recipient. To the extent that  
21 ~~the department~~ *California School Finance Authority* determines  
22 that a transfer from the Charter School Security Fund to the Charter  
23 School Revolving Loan Fund is necessary, ~~the department~~  
24 *California School Finance Authority* shall obtain approval from  
25 the Director of Finance before a transfer of funds is made. Not  
26 sooner than 30 days after notification in writing to the Chairperson  
27 of the Joint Legislative Budget Committee, the Director of Finance  
28 shall direct the Controller to transfer the appropriate amount of  
29 funds.

30 (b) By October 1 of each year, ~~the department~~ *California School*  
31 *Finance Authority* shall provide detailed fund condition information  
32 for the Charter School Revolving Loan Fund and the Charter  
33 School Security Fund to the Department of Finance and the  
34 Legislative Analyst's Office. At a minimum, this information shall  
35 contain an accounting of actual beginning balances, revenues,  
36 itemized expenditures, and ending balances for the prior year, as  
37 well as projected beginning balances, revenues, itemized  
38 expenditures, and ending balances for the current year and budget  
39 year.

1     *SEC. 34. Section 41367 of the Education Code is amended to*  
2     *read:*

3     41367. (a) The Charter School Security Fund is hereby created  
4     in the State Treasury.

5     (b) Moneys in the fund shall be available for deposit into the  
6     Charter School Revolving Loan Fund in case of default on any  
7     loan made from the Charter School Revolving Loan Fund.

8     (c) *Commencing with the 2013–14 fiscal year, the Charter*  
9     *School Security Fund shall be administered by the California*  
10     *School Finance Authority.*

11     *SEC. 35. Section 44374.5 is added to the Education Code, to*  
12     *read:*

13     44374.5. (a) *The commission may charge a fee to recover the*  
14     *standard costs of reviewing new educator preparation programs.*  
15     *Applicable local educational agencies and institutions of higher*  
16     *education shall submit the established fee to the commission when*  
17     *submitting a proposal for a new program. The commission may*  
18     *review the established fee on a periodic basis and adjust the fee*  
19     *as necessary. The commission shall notify the chairpersons of the*  
20     *committees and subcommittees in each house of the Legislature*  
21     *that consider the State Budget and the Department of Finance at*  
22     *least 30 days before implementing the fee and at least 30 days*  
23     *before making any subsequent fee adjustments.*

24     (b) *The commission may charge commission-approved entities*  
25     *a fee to recover the costs of accreditation activities in excess of*  
26     *the regularly scheduled data reports, program assessments, and*  
27     *accreditation site visits. This includes, but is not necessarily limited*  
28     *to, accreditation revisits, addressing stipulations, or program*  
29     *assessment reviews beyond those supported within the standard*  
30     *costs of review. Institutions of higher education shall submit the*  
31     *established fee to the commission in the year that the extraordinary*  
32     *activities are performed. The commission may review the*  
33     *established fee on a periodic basis, and adjust the fee as necessary.*  
34     *The commission shall notify the chairpersons of the committees*  
35     *and subcommittees in each house of the Legislature that consider*  
36     *the State Budget and the Department of Finance at least 30 days*  
37     *before implementing the fee and at least 30 days before making*  
38     *any subsequent fee adjustments.*

39     *SEC. 36. Section 47612 of the Education Code is amended to*  
40     *read:*

1 47612. (a) A charter school shall be deemed to be under the  
2 exclusive control of the officers of the public schools for purposes  
3 of Section 8 of Article IX of the California Constitution, with  
4 regard to the appropriation of public moneys to be apportioned to  
5 any charter school, including, but not *necessarily* limited to,  
6 appropriations made for the purposes of this chapter.

7 (b) The average daily attendance in a charter school may not,  
8 in any event, be generated by a pupil who is not a California  
9 resident. To remain eligible for generating charter school  
10 apportionments, a pupil over 19 years of age shall be continuously  
11 enrolled in public school and make satisfactory progress towards  
12 award of a high school diploma. ~~The State Board of Education~~  
13 *state board* shall, on or before January 1, 2000, adopt regulations  
14 defining “satisfactory progress.”

15 (c) A charter school shall be deemed to be a “school district”  
16 for purposes of Article 1 (commencing with Section 14000) of  
17 Chapter 1 of Part 9, Section 41301, Section 41302.5, Article 10  
18 (commencing with Section 41850) of Chapter 5 of Part 24, Section  
19 47638, and Sections 8 and 8.5 of Article XVI of the California  
20 Constitution.

21 (d) *For purposes of calculating average daily attendance, no*  
22 *pupil shall generate more than one day of attendance in a calendar*  
23 *day. Notwithstanding any other law, a charter school that operates*  
24 *a multitask calendar shall comply with all of the following:*

25 (1) *Calculate attendance separately for each track. The divisor*  
26 *in the calculation shall be the calendar days in which school was*  
27 *taught for pupils in each track.*

28 (2) *Operate no more than five tracks.*

29 (3) *Operate each track for a minimum of 175 days. If the charter*  
30 *school is a conversion school, the charter school may continue its*  
31 *previous schedule as long as it provides no fewer than 163 days*  
32 *of instruction in each track.*

33 (4) *For each track, provide the total number of instructional*  
34 *minutes, as specified in Section 47612.5.*

35 (5) *No track shall have less than 55 percent of its school days*  
36 *before April 15.*

37 (6) *Unless otherwise authorized by statute, no pupil shall*  
38 *generate more than one unit of average daily attendance in a fiscal*  
39 *year.*

1 (e) Compliance with the conditions set forth in this section shall  
2 be included in the audits conducted pursuant to Section 41020.

3 SEC. 37. Section 47614.5 of the Education Code is amended  
4 to read:

5 47614.5. (a) The Charter School Facility Grant Program is  
6 hereby established, and, *commencing with the 2013–14 fiscal year*,  
7 shall be administered by the ~~department~~ *California School Finance*  
8 *Authority*. The grant program is intended to provide assistance  
9 with facilities rent and lease costs for pupils in charter schools.

10 (b) Subject to the annual Budget Act, eligible schools shall  
11 receive an amount of up to, but not more than, seven hundred fifty  
12 dollars (\$750) per unit of average daily attendance, as certified at  
13 the second principal apportionment, to provide an amount of up  
14 to, but not more than, 75 percent of the annual facilities rent and  
15 lease costs for the charter school. In any fiscal year, if the funds  
16 appropriated for the purposes of this section by the annual Budget  
17 Act are insufficient to fund the approved amounts fully, the  
18 ~~Superintendent~~ *California School Finance Authority* shall apportion  
19 the available funds on a pro rata basis.

20 (c) For purposes of this section, the ~~department~~ *California*  
21 *School Finance Authority* shall do all of the following:

22 (1) Inform charter schools of the grant program.  
23 (2) Upon application by a charter school, determine eligibility,  
24 based on the geographic location of the charter schoolsite, pupil  
25 eligibility for free or ~~reduced-price~~ *reduced-price* meals, and a  
26 preference in admissions, as appropriate. Eligibility for funding  
27 shall not be limited to the grade level or levels served by the school  
28 whose attendance area is used to determine eligibility. Charter  
29 ~~schoolsites~~ *schoolsite* are eligible for funding pursuant to this  
30 section if the charter schoolsite meets either of the following  
31 conditions:

32 (A) The charter schoolsite is physically located in the attendance  
33 area of a public elementary school in which 70 percent or more of  
34 the pupil enrollment is eligible for free or ~~reduced-priced~~  
35 *reduced-price* meals and the schoolsite gives a preference in  
36 admissions to pupils who are currently enrolled in that public  
37 elementary school and to pupils who reside in the elementary  
38 school attendance area where the charter schoolsite is located.

1 (B) Seventy percent or more of the pupil enrollment at the  
2 charter schoolsite is eligible for free or ~~reduced-price~~ *reduced-price*  
3 meals.

4 (3) Inform charter schools of their grant eligibility.

5 ~~(4) Allocate funding to charter schools for eligible expenditures~~  
6 ~~in a timely manner.~~

7 ~~(5) No later than June 30, 2005, report to the Legislature on the~~  
8 ~~number of charter schools that have participated in the grant~~  
9 ~~program pursuant to the expanded eligibility prescribed in~~  
10 ~~paragraph (2). In addition, the report shall provide~~  
11 ~~recommendations and suggestions on improving the grant program.~~

12 (4) *Commencing with the 2013–14 fiscal year, make*  
13 *apportionments to a charter school for eligible expenditures*  
14 *according to the following schedule:*

15 (A) *An initial apportionment by August 31 of each fiscal year*  
16 *or 30 days after enactment of the annual Budget Act, whichever*  
17 *is later, provided the charter school has submitted a timely*  
18 *application for funding, as determined by the California School*  
19 *Finance Authority. The initial apportionment shall be 50 percent*  
20 *of the school’s estimated annual entitlement as determined by this*  
21 *section.*

22 (B) *A second apportionment by March 1 of each fiscal year.*  
23 *This apportionment shall be 75 percent of the charter school’s*  
24 *estimated annual entitlement, as adjusted for any revisions in cost,*  
25 *enrollment, and other data relevant to computing the charter*  
26 *school’s annual entitlement, less any funding already apportioned*  
27 *to the charter school.*

28 (C) *A third apportionment within 30 days of the end of each*  
29 *fiscal year or 30 days after receiving the data and documentation*  
30 *needed to compute the charter school’s total annual entitlement,*  
31 *whichever is later. This apportionment shall be the charter school’s*  
32 *total annual entitlement less any funding already apportioned to*  
33 *the charter school.*

34 (D) *Notwithstanding subparagraph (A), the initial*  
35 *apportionment in the 2013–14 fiscal year shall be made by October*  
36 *15, 2013, or 105 days after enactment of the Budget Act of 2013,*  
37 *whichever is later.*

38 (d) *For the purposes of this section:*

39 (1) *The California School Finance Authority shall use prior*  
40 *year data on pupil eligibility for free or reduced-price meals for*

1 *the charter schoolsite and prior year rent or lease costs provided*  
2 *by charter schools to determine eligibility for the grant program*  
3 *until current year data and actual rent or lease costs become*  
4 *known or until June 30 of each fiscal year.*

5 (2) *If prior year rent or lease costs are unavailable, and the*  
6 *current year lease and rent costs are not immediately available,*  
7 *the California School Finance Authority shall use rent or lease*  
8 *cost estimates provided by the charter school.*

9 (3) *The California School Finance Authority shall verify that*  
10 *the grant amount awarded to each charter school is consistent*  
11 *with eligibility requirements as specified in this section and in*  
12 *regulations adopted by the authority. If it is determined by the*  
13 *California School Finance Authority that a charter school did not*  
14 *receive the proper grant award amount, either the charter school*  
15 *shall transfer funds back to the authority as necessary within 60*  
16 *days of being notified by the authority, or the authority shall*  
17 *provide an additional apportionment as necessary to the charter*  
18 *school within 60 days of notifying the charter school, subject to*  
19 *the availability of funds.*

20 ~~(d)~~

21 (e) *Funds appropriated for purposes of this section shall not be*  
22 *apportioned for any of the following:*

23 (1) *Units of average daily attendance generated through*  
24 *nonclassroom-based instruction as defined by paragraph (2) of*  
25 *subdivision (d) of Section 47612.5 or that does not comply with*  
26 *conditions or limitations set forth in regulations adopted by the*  
27 *state board pursuant to this section.*

28 (2) *Charter schools occupying existing school district or county*  
29 *office of education facilities, except that charter schools shall be*  
30 *eligible for the portions of their facilities that are not existing*  
31 *school district or county office of education facilities.*

32 (3) *Charter schools receiving reasonably equivalent facilities*  
33 *from their chartering—authority authorities pursuant to Section*  
34 *47614, except that charter schools shall be eligible for the portions*  
35 *of their facilities that are not reasonably equivalent facilities*  
36 *received from their chartering authorities.*

37 ~~(e)~~

38 (f) *Funds appropriated for purposes of this section shall be used*  
39 *for costs associated with facilities rents and leases, consistent with*  
40 *the definitions used in the California School Accounting Manual*

1 *or regulations adopted by the California School Finance Authority.*  
2 These funds also may be used for costs, including, but not limited  
3 to, costs associated with remodeling buildings, deferred  
4 maintenance, initially installing or extending service systems and  
5 other built-in equipment, and improving sites.

6 ~~(f)~~

7 (g) If an existing charter school located in an elementary  
8 attendance area in which less than 50 percent of pupil enrollment  
9 is eligible for free or ~~reduced-price~~ *reduced-price* meals relocates  
10 to an attendance area identified in paragraph (2) of subdivision  
11 (c), admissions preference shall be given to pupils who reside in  
12 the elementary school attendance area into which the charter school  
13 is relocating.

14 ~~(g)~~

15 ~~(h) The Superintendent California School Finance Authority~~  
16 ~~annually shall report to the state board department and the Director~~  
17 ~~of Finance, and post information on its Internet Web site, regarding~~  
18 ~~the use of funds that have been made available during the fiscal~~  
19 ~~year to each charter school pursuant to the grant program.~~

20 ~~(h) It is the intent of the Legislature that not less than eighteen~~  
21 ~~million dollars (\$18,000,000) annually be appropriated for purposes~~  
22 ~~of the grant program on the same basis as other elementary and~~  
23 ~~secondary education categorical programs.~~

24 ~~(i) The Superintendent California School Finance Authority,~~  
25 ~~commencing with the 2013–14 fiscal year, shall annually allocate~~  
26 ~~the facilities grants to eligible charter schools no later than October~~  
27 ~~1 of each fiscal year or 90 days after enactment of the annual~~  
28 ~~Budget Act, whichever is later, according to the schedule in~~  
29 ~~paragraph (4) of subdivision (c) for the current school year rent~~  
30 ~~and lease costs. However, the department California School~~  
31 ~~Finance Authority shall first use the funding appropriated for this~~  
32 ~~program to reimburse eligible charter schools for unreimbursed~~  
33 ~~rent or lease costs for the prior school year.~~

34 ~~(j) It is the intent of the Legislature that the funding level for~~  
35 ~~the Charter School Facility Grant Program for the 2012–13 fiscal~~  
36 ~~year be considered the base level of funding for subsequent fiscal~~  
37 ~~years.~~

38 ~~(k) The Controller shall include instructions appropriate to the~~  
39 ~~enforcement of this section in the audit guide required by~~  
40 ~~subdivision (a) of Section 14502.1.~~

1 (l) *The California School Finance Authority, effective with the*  
2 *2013–14 fiscal year, shall be considered the senior creditor for*  
3 *purposes of satisfying audit findings pursuant to the audit*  
4 *instructions to be developed pursuant to subdivision (k).*

5 (m) *The California School Finance Authority shall adopt*  
6 *emergency regulations to implement this section.*

7 *SEC. 38. Section 47614.7 of the Education Code is repealed.*

8 ~~47614.7. (a) The Budget Act for the 2008–09 fiscal year and~~  
9 ~~the Budget Acts for each fiscal year thereafter shall appropriate to~~  
10 ~~the department for the purpose of the Charter School Facility Grant~~  
11 ~~Program, as set forth in Section 47614.5, an amount equal to the~~  
12 ~~amount appropriated for the program in the 2007–08 fiscal year,~~  
13 ~~plus the amount equal to the reduction in funding for the~~  
14 ~~Year-Round School Grant Program (Article 3 (commencing with~~  
15 ~~Section 42260) of Chapter 7 of Part 24 of Division 3) associated~~  
16 ~~with the reduction in the grants for year-round schools that is set~~  
17 ~~forth in Section 42270.~~

18 ~~(b) If this act is enacted after the Budget Act of 2008 is enacted~~  
19 ~~and if the Budget Act of 2008 does not reflect the reallocation of~~  
20 ~~funds as specified in subdivision (a), the Director of Finance, upon~~  
21 ~~notice to the Joint Legislative Budget Committee, shall transfer~~  
22 ~~20 percent of the amount appropriated in Item 6110-224-0001 to~~  
23 ~~Item 6110-220-0001 of Section 2.00 of the Budget Act of 2008 to~~  
24 ~~accomplish the reallocation of funding specified in subdivision~~  
25 ~~(a).~~

26 ~~(c) If the Budget Act for any of the 2009–10 to 2012–13 fiscal~~  
27 ~~years, inclusive, does not reflect the reallocation of funds specified~~  
28 ~~in subdivision (a), the Director of Finance, upon notice to the Joint~~  
29 ~~Legislative Budget Committee, shall transfer an amount~~  
30 ~~appropriated in Item 6110-224-0001 of Section 2.00 of the Budget~~  
31 ~~Act for any of those fiscal years, as applicable, to Item~~  
32 ~~6110-200-0001 of Section 2.00 of the Budget Act for that fiscal~~  
33 ~~year in order to accomplish the reallocation of funds specified in~~  
34 ~~subdivision (a). The total amount of the reallocation in each fiscal~~  
35 ~~year pursuant to this subdivision shall be no less than the applicable~~  
36 ~~amount specified in the following schedule:~~

37 ~~(1) For the 2009–10 fiscal year, 40 percent of the amount~~  
38 ~~expended from Item 6110-224-0001 of Section 2.00 of the Budget~~  
39 ~~Act of 2007.~~

1 ~~(2) For the 2010–11 fiscal year, 60 percent of the amount~~  
2 ~~expended from Item 6110-224-0001 of Section 2.00 of the Budget~~  
3 ~~Act of 2007.~~

4 ~~(3) For the 2011–12 fiscal year, 80 percent of the amount~~  
5 ~~expended from Item 6110-224-0001 of Section 2.00 of the Budget~~  
6 ~~Act of 2007.~~

7 ~~(4) For the 2012–13 fiscal year, 100 percent of the amount~~  
8 ~~expended from Item 6110-224-0001 of Section 2.00 of the Budget~~  
9 ~~Act of 2007.~~

10 ~~(d) It is the intent of the Legislature that the funding level for~~  
11 ~~the Charter Schools Facility Grant Program for the 2012–13 fiscal~~  
12 ~~year be considered the base level of funding for subsequent fiscal~~  
13 ~~years.~~

14 *SEC. 39. Section 49430.5 of the Education Code is amended*  
15 *to read:*

16 49430.5. (a) The reimbursement a school receives for free and  
17 ~~reduced-price~~ *reduced-price* meals sold or served to pupils in  
18 elementary, middle, or high schools included within a school  
19 district, charter school, or county office of education shall be  
20 ~~twenty-one cents (\$0.21)~~ *twenty-two and twenty-nine hundredths*  
21 *cents (\$0.2229) per meal, and, for meals served in child care*  
22 *centers and homes, the reimbursement shall be sixteen and six*  
23 *tenths cents (\$0.1660) per meal.*

24 (b) To qualify for the reimbursement for free and ~~reduced-price~~  
25 *reduced-price* meals provided to pupils in elementary, middle, or  
26 high schools, a school shall follow the Enhanced Food Based Meal  
27 Pattern, Nutrient Standard Meal Planning, or Traditional Meal  
28 Pattern developed by the United States Department of Agriculture  
29 or the SHAPE Menu Patterns developed by the state.

30 (c) The reimbursement rates set forth in this section shall be  
31 adjusted annually for increases in cost of living in the same manner  
32 set forth in Section 42238.1.

33 *SEC. 40. Section 52055.770 of the Education Code is amended*  
34 *to read:*

35 52055.770. (a) School districts and chartering authorities shall  
36 receive funding at the following rate, on behalf of funded schools:

37 (1) For kindergarten and grades 1 to 3, inclusive, five hundred  
38 dollars (\$500) per enrolled pupil in funded schools.

39 (2) For grades 4 to 8, inclusive, nine hundred dollars (\$900) per  
40 enrolled pupil in funded schools.

1 (3) For grades 9 to 12, inclusive, one thousand dollars (\$1,000)  
2 per enrolled pupil in funded schools.

3 (b) For purposes of subdivision (a), enrollment of a pupil in a  
4 funded school in the prior fiscal year shall be based on data from  
5 the CBEDS. For the 2007–08 fiscal year, the funded rates shall be  
6 reduced to reflect the percentage difference in the total amounts  
7 appropriated for purposes of this section in that year compared to  
8 the amounts appropriated for purposes of this section in the  
9 2008–09 fiscal year.

10 (c) The following amounts are hereby appropriated from the  
11 General Fund for the purposes set forth in subdivision (g):

12 (1) For the 2007–08 fiscal year, three hundred million dollars  
13 (\$300,000,000), to be allocated as follows:

14 (A) Thirty-two million dollars (\$32,000,000) for transfer by the  
15 Controller to Section B of the State School Fund for allocation by  
16 the Chancellor of the California Community Colleges to  
17 community colleges for the purpose of providing funding to the  
18 community colleges to improve and expand career technical  
19 education in public secondary education and lower division public  
20 higher education pursuant to Section 88532, including the hiring  
21 of additional faculty to expand the number of career technical  
22 education programs and course offerings.

23 (B) Two hundred sixty-eight million dollars (\$268,000,000) for  
24 transfer by the Controller to Section A of the State School Fund  
25 for allocation by the Superintendent pursuant to this article.

26 (2) For each of the ~~2008–09, 2011–12, and 2014–15~~ 2008–09  
27 *and 2011–12* fiscal years, four hundred fifty million dollars  
28 (\$450,000,000) per fiscal year, to be allocated as follows:

29 (A) Forty-eight million dollars (\$48,000,000) for transfer by  
30 the Controller to Section B of the State School Fund for allocation  
31 by the Chancellor of the California Community Colleges to  
32 community colleges as required under subdivision (e) for the  
33 2008–09 fiscal year, and under subdivision (f) for the 2011–12  
34 ~~and 2014–15~~ fiscal years *year*.

35 (B) Four hundred two million dollars (\$402,000,000) for transfer  
36 by the Controller to Section A of the State School Fund for  
37 allocation by the Superintendent pursuant to this article.

38 (3) For the 2009–10 fiscal year, thirty million dollars  
39 (\$30,000,000), to be allocated for transfer by the Controller to  
40 Section B of the State School Fund for allocation by the Chancellor

1 of the California Community Colleges to community colleges as  
2 required under subdivision (e).

3 (4) For the 2010–11 fiscal year, four hundred twenty million  
4 dollars (\$420,000,000), to be allocated as follows:

5 (A) Eighteen million dollars (\$18,000,000) for transfer by the  
6 Controller to Section B of the State School Fund for allocation by  
7 the Chancellor of the California Community Colleges to  
8 community colleges as required under subdivision (e).

9 (B) Four hundred two million dollars (\$402,000,000) for transfer  
10 by the Controller to Section A of the State School Fund for  
11 allocation by the Superintendent pursuant to this article.

12 (5) *For the 2014–15 fiscal year, the amount of the difference*  
13 *between the sum of amounts appropriated under paragraphs (1)*  
14 *to (4), inclusive, and Section 41207.6, and the total fiscal settlement*  
15 *agreed to by the parties in California Teachers Association, et al.*  
16 *v. Arnold Schwarzenegger (Super. Ct., Sacramento County, 2006,*  
17 *No. 05CS01165), to be allocated pursuant to subparagraphs (A)*  
18 *and (B). The sum of all fiscal years of funding provided pursuant*  
19 *to this section and Section 41207.6 shall not exceed the total funds*  
20 *agreed to by those parties, in accordance with both of the*  
21 *following:*

22 (A) *Eleven percent for transfer by the Controller to Section B*  
23 *of the State School Fund for allocation by the Chancellor of the*  
24 *California Community Colleges to community colleges as required*  
25 *under subdivision (e).*

26 (B) *Eighty-nine percent for transfer by the Controller to Section*  
27 *A of the State School Fund for allocation by the Superintendent*  
28 *pursuant to this article.*

29 ~~(5)~~

30 (6) Commencing with the 2010–11 fiscal year, payments made  
31 pursuant to this subdivision shall be made only on or after October  
32 8 of each fiscal year.

33 ~~(d) For the 2014–15 fiscal year, the amounts appropriated under~~  
34 ~~subdivision (e) shall be adjusted to reflect the total fiscal settlement~~  
35 ~~agreed to by the parties in California Teachers Association, et al.~~  
36 ~~v. Arnold Schwarzenegger (Case Number 05CS01165 of the~~  
37 ~~Superior Court for the County of Sacramento) and the sum of all~~  
38 ~~fiscal years of funding provided pursuant to this section and Section~~  
39 ~~41207.6 shall not exceed the total funds agreed to by those parties.~~  
40 ~~This~~ *The annual appropriation made under this section shall*

1 continue to be made until the Director of Finance reports to the  
2 Legislature, along with all proposed adjustments to the Governor's  
3 Budget pursuant to Section 13308 of the Government Code, that  
4 the sum of appropriations made and allocated pursuant to  
5 subdivision (c) equals the total outstanding balance of the minimum  
6 state educational funding obligation to school districts and  
7 community college districts required by Section 8 of Article XVI  
8 of the California Constitution and Chapter 213 of the Statutes of  
9 2004 for the 2004–05 and 2005–06 fiscal years, as determined in  
10 subdivision (a) or (b) of Section 41207.1.

11 (e) The sum transferred under subparagraph (A) of paragraph  
12 (2) of subdivision (c) for the 2008–09 fiscal year shall be allocated  
13 by the Chancellor of the California Community Colleges as  
14 follows:

15 (1) Thirty-eight million dollars (\$38,000,000) to the community  
16 colleges for the purpose of providing funding to the community  
17 colleges to improve and expand career technical education in public  
18 secondary education and lower division public higher education  
19 pursuant to Section 88532, including the hiring of additional faculty  
20 to expand the number of career technical education programs and  
21 course offerings.

22 (2) Ten million dollars (\$10,000,000) to the community colleges  
23 for the purpose of providing one-time block grants to community  
24 college districts to be used for one-time items of expenditure,  
25 including, but not limited to, the following purposes:

26 (A) Physical plant, scheduled maintenance, deferred  
27 maintenance, and special repairs.

28 (B) Instructional materials and support.

29 (C) Instructional equipment, including equipment related to  
30 career technical education, with priority for nursing program  
31 equipment.

32 (D) Library materials.

33 (E) Technology infrastructure.

34 (F) Hazardous substances abatement, cleanup, and repair.

35 (G) Architectural barrier removal.

36 (H) State-mandated local programs.

37 (3) The Chancellor of the California Community Colleges shall  
38 allocate the amount allocated pursuant to paragraph (2) to  
39 community college districts on an equal amount per actual full-time  
40 equivalent student (FTES) reported for the prior fiscal year, except

1 that each community college district shall be allocated an amount  
2 not less than fifty thousand dollars (\$50,000), and the equal amount  
3 per unit of FTES shall be computed accordingly.

4 (4) Funds allocated under paragraph (2) shall supplement and  
5 not supplant existing expenditures and may not be counted as the  
6 community college district contribution for physical plant projects  
7 and instructional material purchases funded in Item 6870-101-0001  
8 of Section 2.00 of the annual Budget Act.

9 (f) For each of the 2011–12 and 2014–15 fiscal years, the sum  
10 transferred pursuant to subparagraph (A) of paragraph (2) *and*  
11 *subparagraph (A) of paragraph (5)* of subdivision (c) shall be  
12 allocated by the Chancellor of the California Community Colleges  
13 to the community colleges for the purpose of improving and  
14 expanding career technical education in public secondary education  
15 and lower division public higher education pursuant to Section  
16 88532, including the hiring of additional faculty to expand the  
17 number of career technical education programs and course  
18 offerings.

19 (g) The appropriations made under subdivision (c) and the  
20 amount specified in Section 41207.6 are for the purpose of  
21 discharging in full the minimum state educational funding  
22 obligation to school districts and community college districts  
23 pursuant to Section 8 of Article XVI of the California Constitution  
24 and Chapter 213 of the Statutes of 2004 for the 2004–05 fiscal  
25 year, and the outstanding maintenance factor for the 2005–06 fiscal  
26 year resulting from this additional payment of the Chapter 213  
27 amount for the 2004–05 fiscal year.

28 (h) For purposes of making the computations required by Section  
29 8 of Article XVI of the California Constitution, including  
30 computation of the state’s minimum funding obligation to school  
31 districts and community college districts in subsequent fiscal years,  
32 the first one billion six hundred twenty million nine hundred  
33 twenty-eight thousand dollars (\$1,620,928,000) in appropriations  
34 made pursuant to subdivision (c) and the amount specified in  
35 Section 41207.6 shall be deemed to be “General Fund revenues  
36 appropriated for school districts,” as defined in subdivision (c) of  
37 Section 41202 and “General Fund Revenues appropriated for  
38 community college districts,” as defined in subdivision (d) of  
39 Section 41202, for the 2004–05 fiscal year and included within  
40 the “total allocations to school districts and community college

1 districts from General Fund proceeds of taxes appropriated pursuant  
2 to Article XIII B,” as defined in subdivision (e) of Section 41202,  
3 for that fiscal year. The remaining appropriations made pursuant  
4 to subdivision (c) and the amount specified in Section 41207.6  
5 shall be deemed to be “General Fund revenues appropriated for  
6 school districts,” as defined in subdivision (c) of Section 41202,  
7 and “General Fund revenues appropriated for community college  
8 districts,” as defined in subdivision (d) of Section 41202, for the  
9 2005–06 fiscal year and included within the “total allocations to  
10 school districts and community college districts from General Fund  
11 proceeds of taxes appropriated pursuant to Article XIII B,” as  
12 defined in subdivision (e) of Section 41202, for that fiscal year.

13 (i) From funds appropriated under subdivision (c), the  
14 Superintendent shall provide both of the following:

15 (1) Not more than two million dollars (\$2,000,000) annually to  
16 county superintendents of schools to carry out the requirements  
17 of this article, allocated in a manner similar to that created to carry  
18 out the new duties of those superintendents under the settlement  
19 agreement in the case of *Williams v. California* (Super. Ct. San  
20 Francisco, No. CGC-00-312236).

21 (2) Five million dollars (\$5,000,000) in the 2007–08 fiscal year  
22 to support regional assistance under Section 52055.730. It is the  
23 intent of the Legislature that the Superintendent and the president  
24 of the state board or his or her designee, along with county offices  
25 of education, seek foundational and other financial support to  
26 sustain and expand these services. Funds provided under this  
27 paragraph that are not expended in the 2007–08 fiscal year shall  
28 be reappropriated for use in subsequent fiscal years for the same  
29 purpose.

30 (j) Notwithstanding any other law, funds appropriated under  
31 subdivision (c) but not allocated to schools with kindergarten or  
32 grades 1 to 12, inclusive, in a fiscal year, due to program  
33 termination in any year or otherwise, shall be reappropriated in  
34 furtherance of the purposes of this article. First priority for those  
35 amounts shall be to provide cost-of-living increases and enrollment  
36 growth adjustments to funded schools.

37 (k) The sum of three hundred fifty thousand dollars (\$350,000)  
38 is hereby appropriated from the General Fund to the department  
39 to fund 3.0 positions to implement this article. Funding provided

1 under this subdivision is not part of funds provided pursuant to  
2 subdivision (c).

3 *SEC. 41. Section 56520 of the Education Code is amended to*  
4 *read:*

5 56520. (a) The Legislature finds and declares all of the  
6 following:

7 (1) That the state has continually sought to provide an  
8 appropriate and meaningful educational program in a safe and  
9 healthy environment for all children regardless of possible physical,  
10 mental, or emotionally disabling conditions.

11 ~~(2) That teachers of children with special needs require training~~  
12 ~~and guidance that provides positive ways for working successfully~~  
13 ~~with children who have difficulties conforming to acceptable~~  
14 ~~behavioral patterns in order to provide an environment in which~~  
15 ~~learning can occur.~~

16 (2) *That some schoolage individuals with exceptional needs*  
17 *have significant behavioral challenges that have an adverse impact*  
18 *on their learning or the learning of other pupils, or both.*

19 (3) *That Section 1400(c)(5)(F) of Title 20 of the United States*  
20 *Code states that research and experience demonstrate that the*  
21 *education of children with disabilities can be made more effective*  
22 *by providing incentives for positive behavioral interventions and*  
23 *supports to address the learning and behavioral needs of those*  
24 *children.*

25 ~~(3)~~

26 (4) That procedures for the elimination of maladaptive behaviors  
27 shall not include those deemed unacceptable under Section 49001  
28 or those that cause pain or trauma.

29 (b) It is the intent of the Legislature:

30 (1) *That children exhibiting serious behavioral challenges*  
31 *receive timely and appropriate assessments and positive supports*  
32 *and interventions in accordance with the federal Individuals with*  
33 *Disabilities Education Act (20 U.S.C. Sec. 1400 et seq.) and its*  
34 *implementing regulations.*

35 (2) *That assessments and positive behavioral interventions and*  
36 *supports be developed and implemented in a manner informed by*  
37 *guidance from the United States Department of Education and*  
38 *technical assistance centers sponsored by the Office of Special*  
39 *Education Programs of the United States Department of Education.*

40 ~~(1)~~

1 (3) That when behavioral interventions, *supports, and other*  
 2 *strategies* are used, they be used in consideration of the pupil's  
 3 physical freedom and social interaction, be administered in a  
 4 manner that respects human dignity and personal privacy, and that  
 5 ensure a pupil's right to placement in the least restrictive  
 6 educational environment.

7 ~~(2)~~

8 (4) That behavioral ~~management~~ *intervention* plans be developed  
 9 and used, to the extent possible, in a consistent manner when the  
 10 pupil is also the responsibility of another agency for residential  
 11 care or related services.

12 ~~(3) That a statewide study be conducted of the use of behavioral~~  
 13 ~~interventions with California individuals with exceptional needs~~  
 14 ~~receiving special education and related services.~~

15 ~~(4)~~

16 (5) That training programs be developed and implemented in  
 17 institutions of higher education that train teachers and that  
 18 in-service training programs be made available as necessary in  
 19 school districts and county offices of education to ~~assure~~ *ensure*  
 20 that adequately trained staff are available to work effectively with  
 21 the behavioral intervention needs of individuals with exceptional  
 22 needs.

23 *SEC. 42. Section 56521.1 is added to the Education Code, to*  
 24 *read:*

25 *56521.1. (a) Emergency interventions may only be used to*  
 26 *control unpredictable, spontaneous behavior that poses clear and*  
 27 *present danger of serious physical harm to the individual with*  
 28 *exceptional needs, or others, and that cannot be immediately*  
 29 *prevented by a response less restrictive than the temporary*  
 30 *application of a technique used to contain the behavior.*

31 *(b) Emergency interventions shall not be used as a substitute*  
 32 *for the systematic behavioral intervention plan that is designed to*  
 33 *change, replace, modify, or eliminate a targeted behavior.*

34 *(c) No emergency intervention shall be employed for longer*  
 35 *than is necessary to contain the behavior. A situation that requires*  
 36 *prolonged use of an emergency intervention shall require the staff*  
 37 *to seek assistance of the schoolsite administrator or law*  
 38 *enforcement agency, as applicable to the situation.*

39 *(d) Emergency interventions shall not include:*

1 (1) Locked seclusion, unless it is in a facility otherwise licensed  
2 or permitted by state law to use a locked room.

3 (2) Employment of a device, material, or objects that  
4 simultaneously immobilize all four extremities, except that  
5 techniques such as prone containment may be used as an  
6 emergency intervention by staff trained in those procedures.

7 (3) An amount of force that exceeds that which is reasonable  
8 and necessary under the circumstances.

9 (e) To prevent emergency interventions from being used in lieu  
10 of planned, systematic behavioral interventions, the parent,  
11 guardian, and residential care provider, if appropriate, shall be  
12 notified within one schoolday if an emergency intervention is used  
13 or serious property damage occurs. A behavioral emergency report  
14 shall immediately be completed and maintained in the file of the  
15 individual with exceptional needs. The behavioral emergency  
16 report shall include all of the following:

17 (1) The name and age of the individual with exceptional needs.

18 (2) The setting and location of the incident.

19 (3) The name of the staff or other persons involved.

20 (4) A description of the incident and the emergency intervention  
21 used, and whether the individual with exceptional needs is currently  
22 engaged in any systematic behavioral intervention plan.

23 (5) Details of any injuries sustained by the individual with  
24 exceptional needs, or others, including staff, as a result of the  
25 incident.

26 (f) All behavioral emergency reports shall immediately be  
27 forwarded to, and reviewed by, a designated responsible  
28 administrator.

29 (g) If a behavioral emergency report is written regarding an  
30 individual with exceptional needs who does not have a behavioral  
31 intervention plan, the designated responsible administrator shall,  
32 within two days, schedule an individualized education program  
33 (IEP) team meeting to review the emergency report, to determine  
34 the necessity for a functional behavioral assessment, and to  
35 determine the necessity for an interim plan. The IEP team shall  
36 document the reasons for not conducting the functional behavioral  
37 assessment, not developing an interim plan, or both.

38 (h) If a behavioral emergency report is written regarding an  
39 individual with exceptional needs who has a positive behavioral  
40 intervention plan, an incident involving a previously unseen serious

1 *behavior problem, or where a previously designed intervention is*  
2 *ineffective, shall be referred to the IEP team to review and*  
3 *determine if the incident constitutes a need to modify the positive*  
4 *behavioral intervention plan.*

5 *SEC. 43. Section 56521.2 is added to the Education Code, to*  
6 *read:*

7 *56521.2. (a) A local educational agency or nonpublic,*  
8 *nonsectarian school or agency serving individuals with exceptional*  
9 *needs pursuant to Sections 56365 and 56366, shall not authorize,*  
10 *order, consent to, or pay for the following interventions, or any*  
11 *other interventions similar to or like the following:*

12 *(1) Any intervention that is designed to, or likely to, cause*  
13 *physical pain, including, but not limited to, electric shock.*

14 *(2) An intervention that involves the release of noxious, toxic,*  
15 *or otherwise unpleasant sprays, mists, or substances in proximity*  
16 *to the face of the individual.*

17 *(3) An intervention that denies adequate sleep, food, water,*  
18 *shelter, bedding, physical comfort, or access to bathroom facilities.*

19 *(4) An intervention that is designed to subject, used to subject,*  
20 *or likely to subject, the individual to verbal abuse, ridicule, or*  
21 *humiliation, or that can be expected to cause excessive emotional*  
22 *trauma.*

23 *(5) Restrictive interventions that employ a device, material, or*  
24 *objects that simultaneously immobilize all four extremities,*  
25 *including the procedure known as prone containment, except that*  
26 *prone containment or similar techniques may be used by trained*  
27 *personnel as a limited emergency intervention.*

28 *(6) Locked seclusion, unless it is in a facility otherwise licensed*  
29 *or permitted by state law to use a locked room.*

30 *(7) An intervention that precludes adequate supervision of the*  
31 *individual.*

32 *(8) An intervention that deprives the individual of one or more*  
33 *of his or her senses.*

34 *(b) In the case of a child whose behavior impedes the child's*  
35 *learning or that of others, the individualized education program*  
36 *team shall consider the use of positive behavioral interventions*  
37 *and supports, and other strategies, to address that behavior,*  
38 *consistent with Section 1414(d)(3)(B)(i) and (d)(4) of Title 20 of*  
39 *the United States Code and associated federal regulations.*

1     *SEC. 44. Section 56523 of the Education Code is amended to*  
2 *read:*

3     56523. (a) ~~On or before September 1, 1992, the~~ *The*  
4 *Superintendent shall develop and the board shall adopt repeal*  
5 *those regulations governing the use of behavioral interventions*  
6 *with individuals with exceptional needs receiving special education*  
7 *and related services. services that are no longer supported by*  
8 *statute, including Section 3052 and subdivisions (d), (e), (f), (g),*  
9 *and (ab) of Section 3001 of Title 5 of the California Code of*  
10 *Regulations, as those provisions existed on January 10, 2013.*

11     (b) ~~This section and the implementing regulations adopted by~~  
12 ~~the board are declaratory of federal law and deemed~~ *chapter is*  
13 *necessary to implement the federal Individuals with Disabilities*  
14 *Education Act (20 U.S.C. Sec. 1400 et seq.) and associated federal*  
15 *regulations. This section chapter is intended to provide the clarity,*  
16 *definition, and specificity necessary for local educational agencies*  
17 *to comply with the federal Individuals with Disabilities Education*  
18 *Act (20 U.S.C. Sec. 1400 et seq.). This section, including the*  
19 *implementing state regulations needed to implement federal law*  
20 *and regulations, shall not exceed the requirements of federal law,*  
21 *create new or separate state requirements, or result in a level of*  
22 *state service beyond that needed to comply with federal law and*  
23 *regulations seq.) and shall be implemented by local educational*  
24 *agencies without the development by the Superintendent and*  
25 *adoption by the state board of any additional regulations.*

26     (c) *Pursuant to Section 1401(9) of Title 20 of the United States*  
27 *Code, special education and related services must meet the*  
28 *standards of the department.*

29     ~~(e)~~

30     (d) *As a condition of receiving funding from the federal*  
31 *Individuals with Disabilities Education Act (20 U.S.C. Sec. 1400*  
32 *et seq.), a local educational agency shall agree to adhere to this*  
33 *chapter and implementing federal regulations and state regulations*  
34 *set forth in this section chapter.*

35     ~~(d)~~

36     (e) *The Superintendent may monitor local educational agency*  
37 *compliance with this section chapter and may take appropriate*  
38 *action, including fiscal repercussions, if either of the following is*  
39 *found:*

1 (1) The local educational agency failed to comply with this  
 2 ~~section and implementing regulations that govern the provision of~~  
 3 ~~special education and related services to individuals with~~  
 4 ~~exceptional needs~~ *chapter* and failed to comply substantially with  
 5 corrective action orders issued by the department resulting from  
 6 monitoring findings or complaint investigations.

7 (2) The local educational agency failed to implement the  
 8 decision of a due process hearing officer based on noncompliance  
 9 with this part, ~~the state implementing regulations~~, provisions of  
 10 the federal Individuals with Disabilities Education Act (20 U.S.C.  
 11 Sec. 1400 et seq.), or the federal implementing regulations, wherein  
 12 noncompliance resulted in the denial of, or impeded the delivery  
 13 of, a free appropriate public education for an individual with  
 14 exceptional needs.

15 (e)

16 (f) Commencing with the 2010–11 fiscal year, if any activities  
 17 authorized pursuant to this ~~section~~ *chapter* and implementing  
 18 regulations are found be a state reimbursable mandate pursuant to  
 19 Section 6 of Article XIII B of the California Constitution, state  
 20 funding provided for purposes of special education pursuant to  
 21 Item 6110-161-0001 of Section 2.00 of the annual Budget Act  
 22 shall first be used to directly offset any mandated costs.

23 ~~(f) Contingent on the adoption of a statute in the 2009–10~~  
 24 ~~Regular Session that adds Section 17570.1 to the Government~~  
 25 ~~Code, the Legislature hereby requests the Department of Finance~~  
 26 ~~on or before December 31, 2010, to exercise its authority pursuant~~  
 27 ~~to subdivision (e) of Section 17570 of the Government Code and~~  
 28 ~~file a request with the Commission on State Mandates for the~~  
 29 ~~purpose of seeking the adoption of a new test claim to supersede~~  
 30 ~~CSM-4464 based on subsequent changes in law that may modify~~  
 31 ~~a requirement that the state reimburse a local government for a~~  
 32 ~~state mandate:~~

33 (g) ~~The regulations shall do all of the following:~~

34 (1) ~~Specify the types of positive behavioral interventions which~~  
 35 ~~may be utilized and specify that interventions which cause pain~~  
 36 ~~or trauma are prohibited.~~

37 (2) ~~Require that, if appropriate, the pupil's individual education~~  
 38 ~~plan includes a description of the positive behavioral interventions~~  
 39 ~~to be utilized which accomplishes the following:~~

40 (A) ~~Assesses the appropriateness of positive interventions:~~

- 1 ~~(B) Assures the pupil's physical freedom, social interaction,~~
- 2 ~~and individual choices.~~
- 3 ~~(C) Respects the pupil's human dignity and personal privacy.~~
- 4 ~~(D) Assures the pupil's placement in the least restrictive~~
- 5 ~~environment.~~
- 6 ~~(E) Includes the method of measuring the effectiveness of the~~
- 7 ~~interventions.~~
- 8 ~~(F) Includes a timeline for the regular and frequent review of~~
- 9 ~~the pupil's progress.~~
- 10 ~~(3) Specify standards governing the application of restrictive~~
- 11 ~~behavioral interventions in the case of emergencies. These~~
- 12 ~~emergencies must pose a clear and present danger of serious~~
- 13 ~~physical harm to the pupil or others. These standards shall include:~~
- 14 ~~(A) The definition of an emergency.~~
- 15 ~~(B) The types of behavioral interventions that may be utilized~~
- 16 ~~in an emergency.~~
- 17 ~~(C) The duration of the intervention which shall not be longer~~
- 18 ~~than is necessary to contain the dangerous behavior.~~
- 19 ~~(D) A process and timeline for the convening of an individual~~
- 20 ~~education plan meeting to evaluate the application of the~~
- 21 ~~emergency intervention and adjust the pupil's individual education~~
- 22 ~~plan in a manner designed to reduce or eliminate the negative~~
- 23 ~~behavior through positive programming.~~
- 24 ~~(E) A process for reporting annually to the department and the~~
- 25 ~~Advisory Commission on Special Education the number of~~
- 26 ~~emergency interventions applied under this chapter.~~
- 27 ~~(g) The Legislature hereby requests the Department of Finance~~
- 28 ~~on or before December 31, 2013, to exercise its authority pursuant~~
- 29 ~~to subdivision (d) of Section 17557 of the Government Code to file~~
- 30 ~~a request with the Commission on State Mandates for the purpose~~
- 31 ~~of amending the parameters and guidelines of CSM-4464 to delete~~
- 32 ~~any reimbursable activities that have been repealed by statute or~~
- 33 ~~executive order and to update offsetting revenues that apply to the~~
- 34 ~~mandated program.~~
- 35 ~~SEC. 45. Section 56525 of the Education Code is amended to~~
- 36 ~~read:~~
- 37 ~~56525. (a) A person recognized by the national Behavior~~
- 38 ~~Analyst Certification Board as a Board Certified Behavior Analyst~~
- 39 ~~qualifies as a behavioral intervention case manager of a district,~~
- 40 ~~special education local plan area, or county office and may conduct~~

1 behavior assessments and provide behavioral intervention services  
 2 for individuals with exceptional needs.

3 (b) This section does not require a district, special education  
 4 local plan area, or county office to use a Board Certified Behavior  
 5 Analyst ~~as a behavioral intervention case manager to conduct~~  
 6 *behavior assessments and provide behavioral intervention services*  
 7 *for individuals with exceptional needs.*

8 *SEC. 46. Section 56836.02 of the Education Code is amended*  
 9 *to read:*

10 56836.02. ~~(a) The superintendent~~ *Superintendent* shall  
 11 apportion funds from Section A of the State School Fund to  
 12 districts and county offices of education in accordance with the  
 13 allocation plan adopted pursuant to Section 56836.05, unless the  
 14 allocation plan specifies that funds be apportioned to the  
 15 administrative unit of the special education local plan area. If the  
 16 allocation plan specifies that funds be apportioned to the  
 17 administrative unit of the special education local plan area, the  
 18 administrator of the special education local plan area shall, upon  
 19 receipt, distribute the funds in accordance with the method adopted  
 20 pursuant to subdivision (i) of Section 56195.7. The allocation plan  
 21 shall, ~~prior to~~ *before* submission to the ~~superintendent~~  
 22 *Superintendent*, be approved according to the local policymaking  
 23 process established by the special education local plan area.

24 ~~(b) The superintendent shall apportion funds for regionalized~~  
 25 ~~services and program specialists from Section A of the State School~~  
 26 ~~Fund to the administrative unit of each special education local plan~~  
 27 ~~area. Upon receipt, the administrator of a special education local~~  
 28 ~~plan area shall direct the administrative unit of the special education~~  
 29 ~~local plan area to distribute the funds in accordance with the budget~~  
 30 ~~plan adopted pursuant to paragraph (1) of subdivision (b) of Section~~  
 31 ~~56205.~~

32 *SEC. 47. Section 56836.08 of the Education Code is amended*  
 33 *to read:*

34 56836.08. (a) For the 1998–99 fiscal year, the ~~superintendent~~  
 35 *Superintendent* shall make the following computations to determine  
 36 the amount of funding for each special education local plan area:

37 (1) Add the amount of funding per unit of average daily  
 38 attendance computed for the special education local plan area  
 39 pursuant to paragraph (1) of subdivision (a) of Section 56836.10

1 to the inflation adjustment computed pursuant to subdivision (d)  
2 for the 1998–99 fiscal year.

3 (2) Multiply the amount computed in paragraph (1) by the units  
4 of average daily attendance reported for the special education local  
5 plan area for the 1997–98 fiscal year, exclusive of average daily  
6 attendance for absences excused pursuant to subdivision (b) of  
7 Section 46010, as that subdivision read on July 1, 1996.

8 (3) Add the actual amount of the equalization adjustment, if  
9 any, computed for the 1998–99 fiscal year pursuant to Section  
10 56836.14 to the amount computed in paragraph (2).

11 (4) Add or subtract, as appropriate, the adjustment for growth  
12 computed pursuant to Section 56836.15 from the amount computed  
13 in paragraph (3).

14 (b) For the 1999–2000 fiscal year and each fiscal year thereafter,  
15 the ~~superintendent~~ *Superintendent* shall make the following  
16 computations to determine the amount of funding for each special  
17 education local plan area for the fiscal year in which the  
18 computation is made:

19 (1) Add the amount of funding per unit of average daily  
20 attendance computed for the special education local plan area for  
21 the prior fiscal year pursuant to Section 56836.10 to the inflation  
22 adjustment computed pursuant to subdivision (d) *through the*  
23 *2012–13 fiscal year, and for the 2013–14 fiscal year and each*  
24 *fiscal year thereafter, the inflation adjustment computed pursuant*  
25 *to subdivision (g), for the fiscal year in which the computation is*  
26 *made.*

27 (2) Multiply the amount computed in paragraph (1) by the units  
28 of average daily attendance reported for the special education local  
29 plan area for the prior fiscal year.

30 ~~(3) Add the actual amount of the equalization adjustment, if~~  
31 ~~any, computed for the special education local plan area for the~~  
32 ~~fiscal year in which the computation is made pursuant to Section~~  
33 ~~56836.14 to the amount computed in paragraph (2).~~

34 ~~(4)~~

35 (3) Add or subtract, as appropriate, the adjustment for growth  
36 or decline in enrollment, if any, computed for the special education  
37 local plan area for the fiscal year in which the computation is made  
38 pursuant to Section 56836.15 from the amount computed in  
39 paragraph ~~(3)~~ (2).

1 (c) For the 1998–99 fiscal year ~~and each fiscal year thereafter,~~  
2 *to the 2012–13 fiscal year, inclusive,* the ~~superintendent~~  
3 *Superintendent* shall make the following computations to determine  
4 the amount of General Fund moneys that the special education  
5 local plan area may claim:

6 (1) Add the total of the amount of property taxes for the special  
7 education local plan area pursuant to Section 2572 for the fiscal  
8 year in which the computation is made to the amount of federal  
9 funds allocated for the purposes of paragraph (1) of subdivision  
10 (a) of Section 56836.09 for the fiscal year in which the computation  
11 is made.

12 (2) Add the amount of funding computed for the special  
13 education local plan area pursuant to subdivision (a) for the  
14 1998–99 fiscal year, and commencing with the 1999–2000 fiscal  
15 year ~~and each fiscal year thereafter,~~ *to the 2012–13 fiscal year,*  
16 *inclusive,* the amount computed for the fiscal year in which the  
17 computations were made pursuant to subdivision (b) to the amount  
18 of funding computed for the special education local plan area  
19 pursuant to Article 3 (commencing with Section 56836.16).

20 (3) Subtract the sum computed in paragraph (1) from the sum  
21 computed in paragraph (2).

22 (d) For the 1998–99 fiscal year ~~and each fiscal year thereafter,~~  
23 *to the 2012–13 fiscal year, inclusive,* the ~~superintendent~~  
24 *Superintendent* shall make the following computations to determine  
25 the inflation adjustment for the fiscal year in which the computation  
26 is made:

27 (1) For the 1998–99 fiscal year, multiply the sum of the  
28 statewide target amount per unit of average daily attendance for  
29 special education local plan areas for the 1997–98 fiscal year  
30 computed pursuant to paragraph (3) of subdivision (a) of Section  
31 56836.11 and the amount determined pursuant to paragraph (e) of  
32 Section 56836.155 for the 1997–98 fiscal year that corresponds to  
33 the amount determined pursuant to paragraph (1) of subdivision  
34 (d) of Section 56836.155 by the inflation adjustment computed  
35 pursuant to Section 42238.1 for the 1998–99 fiscal year.

36 (2) For the 1999–2000 fiscal year ~~and each fiscal year thereafter,~~  
37 *to the 2012–13 fiscal year, inclusive,* multiply the sum of the  
38 statewide target amount per unit of average daily attendance for  
39 special education local plan areas for the prior fiscal year computed  
40 pursuant to Section 56836.11 and the amount determined pursuant

1 to paragraph (1) of subdivision (d) of Section 56836.155 for the  
2 prior fiscal year by the inflation adjustment computed pursuant to  
3 Section 42238.1 for the fiscal year in which the computation is  
4 made.

5 (3) For ~~the~~ purposes of computing the inflation adjustment for  
6 the special education local plan area identified as the Los Angeles  
7 County Juvenile Court and Community School/Division of  
8 Alternative Education Special Education Local Plan Area for the  
9 1998–99 fiscal year ~~and each fiscal year thereafter~~, *to the 2012–13*  
10 *fiscal year, inclusive*, the ~~superintendent~~ *Superintendent* shall  
11 multiply the amount of funding per unit of average daily attendance  
12 computed for that special education local plan area for the prior  
13 fiscal year pursuant to Section 56836.10 by the inflation adjustment  
14 computed pursuant to Section 42238.1 for the fiscal year in which  
15 the computation is being made.

16 (e) For the 1998–99 fiscal year and each fiscal year thereafter  
17 to and including the 2002–03 fiscal year, the ~~superintendent~~  
18 *Superintendent* shall perform the calculation set forth in Section  
19 56836.155 to determine the adjusted entitlement for the incidence  
20 of disabilities for each special education local plan area, but this  
21 amount shall not be used in the next fiscal year to determine the  
22 base amount of funding for each special education local plan area  
23 for the current fiscal year, except as specified in this article.

24 (f) *Notwithstanding any other law, for the 2013–14 fiscal year*  
25 *and each fiscal year thereafter, the Superintendent shall make the*  
26 *following computations to determine the amount of General Fund*  
27 *moneys that the special education local plan area may claim:*

28 (1) *Determine the total amount of property taxes for the special*  
29 *education local plan area pursuant to Section 2572 for the fiscal*  
30 *year in which the computation is made.*

31 (2) *Calculate the amount of funding computed for the special*  
32 *education local plan area pursuant to subdivision (b) for the fiscal*  
33 *year in which the computation is made.*

34 (3) *Subtract the amount computed in paragraph (1) from the*  
35 *amount computed in paragraph (2).*

36 (g) *For the 2013–14 fiscal year and each fiscal year thereafter,*  
37 *the Superintendent shall make the following computations to*  
38 *determine the inflation adjustment for the fiscal year in which the*  
39 *computation is made:*

1 (1) Multiply the statewide target amount per unit of average  
 2 daily attendance for special education local plan areas for the  
 3 prior fiscal year computed pursuant to Section 56836.11 by the  
 4 inflation factor computed pursuant to Section 42238.1, as that  
 5 section read on January 1, 2013, or any successor section of law  
 6 enacted by the Legislature that specifies the inflation factor  
 7 contained in Section 42238.1, as that section read on January 1,  
 8 2013, for application to the 2013–14 fiscal year and each fiscal  
 9 year thereafter.

10 (2) For purposes of computing the inflation adjustment for the  
 11 special education local plan area identified as the Los Angeles  
 12 County Juvenile Court and Community School/Division of  
 13 Alternative Education Special Education Local Plan Area, the  
 14 Superintendent shall multiply the amount of funding per unit of  
 15 average daily attendance computed for that special education local  
 16 plan area for the prior fiscal year pursuant to Section 56836.10  
 17 by the inflation factor computed pursuant to Section 42238.1, as  
 18 that section read on January 1, 2013, or any successor section of  
 19 law enacted by the Legislature that specifies the inflation factor  
 20 contained in Section 42238.1, as that section read on January 1,  
 21 2013, for application to the 2013–14 fiscal year and each fiscal  
 22 year thereafter.

23 SEC. 48. Section 56836.10 of the Education Code is amended  
 24 to read:

25 56836.10. (a) ~~The superintendent~~ Superintendent shall make  
 26 the following computations to determine the amount of funding  
 27 per unit of average daily attendance for each special education  
 28 local plan area for the 1998–99 fiscal year:

29 (1) Divide the amount of funding for the special education local  
 30 plan area computed for the 1997–98 fiscal year pursuant to Section  
 31 56836.09 by the number of units of average daily attendance,  
 32 exclusive of average daily attendance for absences excused  
 33 pursuant to subdivision (b) of Section 46010 as that subdivision  
 34 read on July 1, 1997, reported for the special education local plan  
 35 area for the 1997–98 fiscal year.

36 (2) Add the amount computed in paragraph (1) to the inflation  
 37 adjustment computed pursuant to subdivision (d) of Section  
 38 56836.08 for the 1998–99 fiscal year.

39 (b) Commencing with the ~~1999–2000~~ 1999–2000 fiscal year  
 40 and ~~each fiscal year thereafter~~, continuing through the 2012–13

1 *fiscal year, inclusive, the superintendent Superintendent shall make*  
2 *the following computations to determine the amount of funding*  
3 *per unit of average daily attendance for each special education*  
4 *local plan area for the fiscal year in which the computation is made:*

5 (1) *For the 1999–2000 fiscal year, divide the amount of funding*  
6 *for the special education local plan area computed for the 1998–99*  
7 *fiscal year pursuant to subdivision (a) of Section 56836.08 by the*  
8 *number of units of average daily attendance upon which funding*  
9 *is based pursuant to subdivision (a) of Section 56836.15 for the*  
10 *special education local plan area for the 1998–99 fiscal year.*

11 (2) *For the 2000–01 fiscal year, and each fiscal year thereafter,*  
12 *to the 2012–13 fiscal year, inclusive, divide the amount of funding*  
13 *for the special education local plan area computed for the prior*  
14 *fiscal year pursuant to subdivision (b) of Section 56836.08 by the*  
15 *number of units of average daily attendance upon which funding*  
16 *is based pursuant to subdivision (a) of Section 56836.15 for the*  
17 *special education local plan area for the prior fiscal year.*

18 (c) *Notwithstanding any other law, for the 2013–14 fiscal year,*  
19 *the Superintendent shall make the following computations to*  
20 *determine the amount of funding per unit of average daily*  
21 *attendance for each special education local plan area:*

22 (1) *From the amount of funding for the special education local*  
23 *plan area computed for the 2012–13 fiscal year pursuant to*  
24 *subdivision (b) of Section 56836.08, subtract the total amount of*  
25 *federal funds apportioned to the special education local plan area*  
26 *pursuant to Schedule (1) of Item 6110-161-0890 of Section 2.00*  
27 *of the Budget Act of 2013 for purposes of special education for*  
28 *individuals with exceptional needs enrolled in kindergarten and*  
29 *grades 1 to 12, inclusive.*

30 (2) *Divide the amount computed in paragraph (1) by the number*  
31 *of units of average daily attendance upon which funding is based*  
32 *pursuant to subdivision (a) of Section 56836.15 for the special*  
33 *education local plan area for the 2012–13 fiscal year.*

34 (d) *For the 2014–15 fiscal year, and each fiscal year thereafter,*  
35 *divide the amount of funding for the special education local plan*  
36 *area computed for the prior fiscal year pursuant to subdivision*  
37 *(b) of Section 56836.08 by the number of units of average daily*  
38 *attendance upon which funding is based pursuant to subdivision*  
39 *(a) of Section 56836.15 for the special education local plan area*  
40 *for the prior fiscal year. For the 2014–15 fiscal year, the amount*

1 of funding per unit of average daily attendance for each special  
2 education local plan area shall include funding provided pursuant  
3 to Section 56836.145.

4 SEC. 49. Section 56836.11 of the Education Code is amended  
5 to read:

6 56836.11. (a) For the purpose of computing the equalization  
7 adjustment for special education local plan areas for the ~~1998-99~~  
8 1998-99 fiscal year, the Superintendent shall make the following  
9 computations to determine the statewide target amount per unit of  
10 average daily attendance for special education local plan areas:

11 (1) Total the amount of funding computed for each special  
12 education local plan area exclusive of the amount of funding  
13 computed for the special education local plan area identified as  
14 the Los Angeles County Juvenile Court and Community  
15 School/Division of Alternative Education Special Education Local  
16 Plan Area, pursuant to Section 56836.09 for the ~~1997-98~~ 1997-98  
17 fiscal year.

18 (2) Total the number of units of average daily attendance  
19 reported for each special education local plan area for the ~~1997-98~~  
20 1997-98 fiscal year, exclusive of average daily attendance for  
21 absences excused pursuant to subdivision (b) of Section 46010 as  
22 that section read on July 1, 1996, and exclusive of the units of  
23 average daily attendance computed for the special education local  
24 plan area identified as the Los Angeles County Juvenile Court and  
25 Community School/Division of Alternative Education Special  
26 Education Local Plan Area.

27 (3) Divide the sum computed in paragraph (1) by the sum  
28 computed in paragraph (2) to determine the statewide target amount  
29 for the ~~1997-98~~ 1997-98 fiscal year.

30 (4) Add the amount computed in paragraph (3) to the inflation  
31 adjustment computed pursuant to subdivision (d) of Section  
32 56836.08 for the ~~1998-99~~ 1998-99 fiscal year to determine the  
33 statewide target amount for the ~~1998-99~~ 1998-99 fiscal year.

34 (b) Commencing with the ~~1999-2000~~ 1999-2000 fiscal year to  
35 the ~~2004-05~~ 2004-05 fiscal year, inclusive, to determine the  
36 statewide target amount per unit of average daily attendance for  
37 special education local plan areas, the Superintendent shall multiply  
38 the statewide target amount per unit of average daily attendance  
39 computed for the prior fiscal year pursuant to this section by one  
40 plus the inflation factor computed pursuant to subdivision (b) of

1 Section 42238.1 for the fiscal year in which the computation is  
2 made.

3 (c) Commencing with the ~~2005-06~~ 2005-06 fiscal year and each  
4 fiscal year thereafter, to determine the statewide target amount per  
5 unit of average daily attendance for special education local plan  
6 areas for the purpose of computing the incidence multiplier  
7 pursuant to Section 56836.155, the Superintendent shall add the  
8 statewide target amount per unit of average daily attendance  
9 computed for the prior fiscal year for this purpose to the amount  
10 computed in paragraph (2) of subdivision (d) or paragraph (2) of  
11 subdivision (e), as appropriate.

12 (d) For the ~~2005-06~~ 2005-06 fiscal year, the Superintendent  
13 shall make the following computation to determine the statewide  
14 target amount per unit of average daily attendance to determine  
15 the inflation adjustment pursuant to paragraph (2) of subdivision  
16 (d) of Section 56836.08 and growth pursuant to subdivision (c) of  
17 Section 56836.15, as follows:

18 (1) The ~~2004-05~~ 2004-05 fiscal year statewide target amount  
19 per unit of average daily attendance less the sum of the ~~2004-05~~  
20 2004-05 fiscal year total amount of federal funds apportioned  
21 pursuant to Schedule (1) in Item 6110-161-0890 of Section 2.00  
22 of the Budget Act of 2004 for the purposes of special education  
23 for individuals with exceptional needs enrolled in kindergarten  
24 and grades 1 to 12, inclusive, divided by the total average daily  
25 attendance computed for the ~~2004-05~~ 2004-05 fiscal year.

26 (2) Multiply the amount computed in paragraph (1) by the  
27 inflation factor computed pursuant to subdivision (b) of Section  
28 42238.1 for the fiscal year in which the computation is made.

29 (3) Add the amounts computed in paragraphs (1) and (2).

30 (e) Commencing with the ~~2006-07~~ 2006-07 fiscal year and each  
31 fiscal year thereafter *continuing through the 2012-13 fiscal year,*  
32 *inclusive,* the Superintendent shall make the following computation  
33 to determine the statewide target amount per unit of average daily  
34 attendance for special education local plan areas for the purpose  
35 of computing the inflation adjustment pursuant to paragraph (2)  
36 of subdivision (d) of Section 56836.08 and growth pursuant to  
37 subdivision (c) of Section 56836.15:

38 (1) The statewide target amount per unit of average daily  
39 attendance computed for the prior fiscal year pursuant to this  
40 section.

1 (2) Multiply the amount computed in paragraph (1) by the  
2 inflation factor computed pursuant to subdivision (b) of Section  
3 42238.1 for the fiscal year in which the computation is made.

4 (3) Add the amounts computed in paragraphs (1) and (2).

5 *(f) For the 2013–14 fiscal year, the Superintendent shall make*  
6 *the following computations to determine the statewide target*  
7 *amount per unit of average daily attendance to determine the*  
8 *inflation adjustment pursuant to subdivision (g) of Section*  
9 *56836.08 and growth pursuant to subdivision (c) of Section*  
10 *56836.15, as follows:*

11 *(1) Total the amount of funding computed for each special*  
12 *education local plan area pursuant to the amount computed in*  
13 *subdivision (b) of Section 56836.08 exclusive of the amount of*  
14 *funding computed for the special education local plan area*  
15 *identified as the Los Angeles County Juvenile Court and*  
16 *Community School/Division of Alternative Education Special*  
17 *Education Local Plan Area, for the 2013–14 fiscal year.*

18 *(2) Total the number of units of average daily attendance*  
19 *reported for each special education local plan area for the 2012–13*  
20 *fiscal year, exclusive of the units of average daily attendance*  
21 *computed for the special education local plan area identified as*  
22 *the Los Angeles County Juvenile Court and Community*  
23 *School/Division of Alternative Education Special Education Local*  
24 *Plan Area.*

25 *(3) Divide the sum computed in paragraph (1) by the sum*  
26 *computed in paragraph (2).*

27 *(g) Commencing with the 2014–15 fiscal year and continuing*  
28 *each fiscal year thereafter, the Superintendent shall make the*  
29 *following computations to determine the statewide target amount*  
30 *per unit of average daily attendance for special education local*  
31 *plan areas for the purpose of computing the inflation adjustment*  
32 *pursuant to subdivision (g) of Section 56836.08 and growth*  
33 *pursuant to subdivision (c) of Section 56836.15:*

34 *(1) The statewide target amount per unit of average daily*  
35 *attendance computed for the prior fiscal year pursuant to this*  
36 *section.*

37 *(2) Multiply the amount computed in paragraph (1) by the*  
38 *inflation factor computed pursuant to Section 42238.1, as that*  
39 *section read on January 1, 2013, or any successor section of law*  
40 *enacted by the Legislature that specifies the inflation factor*

1 contained in Section 42238.1, as that section read on January 1,  
2 2013, for application to the 2014–15 fiscal year and each fiscal  
3 year thereafter.

4 (3) Add the amounts computed in paragraphs (1) and (2).

5 SEC. 50. Section 56836.12 of the Education Code is repealed.

6 ~~56836.12.—(a) For the purpose of computing the equalization~~  
7 ~~adjustment for special education local plan areas for the 1998–99~~  
8 ~~fiscal year, the superintendent shall make the following~~  
9 ~~computations to determine the amount that each special education~~  
10 ~~local plan area that has an amount per unit of average daily~~  
11 ~~attendance that is below the statewide target amount per unit of~~  
12 ~~average daily attendance may request as an equalization~~  
13 ~~adjustment:~~

14 ~~(1) Subtract the amount per unit of average daily attendance~~  
15 ~~computed for the special education local plan area pursuant to~~  
16 ~~subdivision (a) of Section 56836.10 from the statewide target~~  
17 ~~amount per unit of average daily attendance determined pursuant~~  
18 ~~to subdivision (a) of Section 56836.11.~~

19 ~~(2) If the remainder computed in paragraph (1) is greater than~~  
20 ~~zero, multiply that remainder by the number of units of average~~  
21 ~~daily attendance reported for the special education local plan area~~  
22 ~~for the 1997–98 fiscal year, exclusive of average daily attendance~~  
23 ~~for absences excused pursuant to subdivision (b) of Section 46010,~~  
24 ~~as that section read on July 1, 1996.~~

25 ~~(b) Commencing with the 1999–2000 fiscal year, through and~~  
26 ~~including the fiscal year in which equalization among the special~~  
27 ~~education local plan areas has been achieved, the superintendent~~  
28 ~~shall make the following computations to determine the amount~~  
29 ~~that each special education local plan area that has an amount per~~  
30 ~~unit of average daily attendance that is below the statewide target~~  
31 ~~amount per unit of average daily attendance may request as an~~  
32 ~~equalization adjustment:~~

33 ~~(1) Add to the amount per unit of average daily attendance~~  
34 ~~computed for the special education local plan area pursuant to~~  
35 ~~subdivision (b) of Section 56836.10 for the fiscal year in which~~  
36 ~~the computation is made the inflation adjustment computed~~  
37 ~~pursuant to subdivision (d) of Section 56836.08 for the fiscal year~~  
38 ~~in which the computation is made.~~

39 ~~(2) Subtract the amount computed pursuant to paragraph (1)~~  
40 ~~from the statewide target amount per unit of average daily~~

1 attendance computed pursuant to subdivision (b) of Section  
2 56836.11 for the fiscal year in which the computation is made.

3 (3) If the remainder computed in paragraph (2) is greater than  
4 zero, multiply that remainder by the number of units of average  
5 daily attendance reported for the special education local plan area  
6 for the prior fiscal year, exclusive of average daily attendance for  
7 absences excused pursuant to subdivision (b) of Section 46010,  
8 as that section read on July 1, 1996.

9 (e) This section shall not apply to the special education local  
10 plan area identified as the Los Angeles County Juvenile Court and  
11 Community School/Division of Alternative Education Special  
12 Education Local Plan Area.

13 *SEC. 51. Section 56836.13 of the Education Code is repealed.*

14 56836.13. Commencing with the 1998–99 fiscal year, through  
15 and including the fiscal year in which equalization among the  
16 special education local plan areas has been achieved, the  
17 superintendent shall make the following computations to determine  
18 the amount available for making equalization adjustments for the  
19 fiscal year in which the computation is made:

20 (a) Subtract the prior fiscal year funds pursuant to paragraph  
21 (1) of subdivision (e) of Section 56836.08 from the current fiscal  
22 year funds pursuant to paragraph (1) of subdivision (e) of Section  
23 56836.08.

24 (b) The amount of any increase in federal funds computed  
25 pursuant to subdivision (a) shall result in a reduction in state  
26 general funds computed pursuant to paragraph (3) of subdivision  
27 (e) of Section 56836.08. This is the amount of state general funds  
28 that shall be designated in the annual Budget Act for the purpose  
29 of Section 56836.12, as augmented by any deficiency  
30 appropriation, for the purposes of equalizing funding for special  
31 education local plan areas pursuant to this chapter.

32 (c) Until the actual amount of any increase in federal funds  
33 pursuant to subdivision (a) can be determined for the current fiscal  
34 year, equalization apportionments pursuant to Section 56836.12  
35 shall be certified based on the authority available in Item  
36 6110-161-0001 of the Budget Act of 1998, or its successor in the  
37 annual Budget Act.

38 *SEC. 52. Section 56836.14 of the Education Code is repealed.*

39 56836.14. Commencing with the 1998–99 fiscal year, through  
40 and including the fiscal year in which equalization among the

1 ~~special education local plan areas has been achieved, the~~  
2 ~~superintendent shall make the following computations to determine~~  
3 ~~the actual amount of the equalization adjustment for each special~~  
4 ~~education local plan area that has an amount per unit of average~~  
5 ~~daily attendance that is below the statewide target amount per unit~~  
6 ~~of average daily attendance:~~

7 ~~(a) Add the amount determined for each special education local~~  
8 ~~plan area pursuant to Section 56836.12 for the fiscal year in which~~  
9 ~~the computation is made to determine the total statewide aggregate~~  
10 ~~amount necessary to fund each special education local plan area~~  
11 ~~at the statewide target amount per unit of average daily attendance~~  
12 ~~for special education local plan areas.~~

13 ~~(b) Divide the amount computed in subdivision (a) by the~~  
14 ~~amount computed pursuant to Section 56836.13 to determine the~~  
15 ~~percentage of the total amount of funds necessary to fund each~~  
16 ~~special education local plan area at the statewide target amount~~  
17 ~~per unit of average daily attendance for special education local~~  
18 ~~plan areas that are actually available for that purpose.~~

19 ~~(c) To determine the amount to allocate to the special education~~  
20 ~~local plan area for a special education local plan area equalization~~  
21 ~~adjustment, multiply the amount computed for the special education~~  
22 ~~local plan area pursuant to Section 56836.12, if any, by the~~  
23 ~~percentage determined in subdivision (b).~~

24 *SEC. 53. Section 56836.145 is added to the Education Code,*  
25 *to read:*

26 *56836.145. (a) For the 2013–14 fiscal year, the Superintendent*  
27 *shall compute an equalization adjustment for each special*  
28 *education local plan area, exclusive of the special education local*  
29 *plan area identified as the Los Angeles County Juvenile Court and*  
30 *Community School/Division of Alternative Education Special*  
31 *Education Local Plan Area, so that the special education funding*  
32 *rate per unit of average daily attendance calculated pursuant to*  
33 *subdivision (c) of Section 56836.10 of a special education local*  
34 *plan area is not less than the special education funding rate per*  
35 *unit of average daily attendance calculated pursuant to subdivision*  
36 *(c) of Section 56836.10 that does not fall below more than 10*  
37 *percent of the total statewide units of average daily attendance*  
38 *for each special education local plan area.*

39 *(b) The Superintendent shall compute an equalization adjustment*  
40 *for each special education local plan area's special education*

1 *funding rate per unit of average daily attendance, exclusive of the*  
2 *special education local plan area identified as the Los Angeles*  
3 *County Juvenile Court and Community School/Division of*  
4 *Alternative Education Special Education Local Plan Area, as*  
5 *follows:*

6 *(1) Multiply the amount computed for each special education*  
7 *local plan area pursuant to subdivision (a) by the average daily*  
8 *attendance used to calculate the special education local plan area's*  
9 *special education funding for the 2013–14 fiscal year.*

10 *(2) Divide the amount appropriated for purposes of this section*  
11 *for the 2013–14 fiscal year by the statewide sum of the amount*  
12 *computed pursuant to paragraph (1).*

13 *(3) Multiply the amount computed for the special education*  
14 *local plan area pursuant to subdivision (a) by the amount computed*  
15 *pursuant to paragraph (2).*

16 *(c) For purposes of this section, the statewide 90th percentile*  
17 *special education funding rate determined pursuant to subdivision*  
18 *(a), and the fraction computed pursuant to paragraph (2) of*  
19 *subdivision (b) for the 2012–13 second principal apportionment,*  
20 *shall be final, and shall not be recalculated at subsequent*  
21 *apportionments. The fraction computed pursuant to paragraph*  
22 *(2) of subdivision (b) shall not exceed 1.00.*

23 *SEC. 54. Section 56836.15 of the Education Code is amended*  
24 *to read:*

25 56836.15. (a) In order to mitigate the effects of any declining  
26 enrollment, commencing in the 1998–99 fiscal year, and each fiscal  
27 year thereafter, the ~~superintendent~~ Superintendent shall calculate  
28 allocations to special education local plan areas based on the  
29 average daily attendance reported for the special education local  
30 plan area for the fiscal year in which the computation is made or  
31 the prior fiscal year, whichever is greater. However, the prior fiscal  
32 year average daily attendance reported for the special education  
33 local plan area shall be adjusted for any loss or gain of average  
34 daily attendance reported for the special education local plan area  
35 due to a reorganization or transfer of territory in the special  
36 education local plan area.

37 (b) For the 1998–99 fiscal year only, the prior year average  
38 daily attendance used in this section shall be the 1997–98 average  
39 daily attendance reported for the special education local plan area,  
40 exclusive of average daily attendance for absences excused

1 pursuant to subdivision (b) of Section 46010, as that section read  
2 on July 1, 1996.

3 (c) If in the fiscal year for which the computation is made, the  
4 number of units of average daily attendance upon which allocations  
5 to the special education local plan area are based is greater than  
6 the number of units of average daily attendance upon which  
7 allocations to the special education local plan area were based in  
8 the prior fiscal year, the special education local plan area shall be  
9 allocated a growth adjustment equal to the product determined by  
10 multiplying the amounts determined under paragraphs (1) and (2).

11 (1) The statewide target amount per unit of average daily  
12 attendance for special education local plan areas determined  
13 pursuant to Section 56836.11, added to the amount determined in  
14 paragraph (1) of subdivision (d) of Section 56836.155.

15 (2) The difference between the number of units of average daily  
16 attendance upon which allocations to the special education local  
17 plan area are based for the fiscal year in which the computation is  
18 made and the number of units of average daily attendance upon  
19 which allocations to the special education local plan area were  
20 based for the prior fiscal year.

21 (d) If in the fiscal year for which the computation is made, the  
22 number of units of average daily attendance upon which allocations  
23 to the special education local plan area are based is less than the  
24 number of units of average daily attendance upon which allocations  
25 to the special education local plan area were based in the prior  
26 fiscal year, the special education local plan area shall receive a  
27 funding reduction equal to the product determined by multiplying  
28 the amounts determined under paragraphs (1) and (2):

29 (1) The amount of funding per unit of average daily attendance  
30 computed for the special education local plan area for the prior  
31 fiscal year. *For the 2013–14 fiscal year only, the amount of funding*  
32 *per unit of average daily attendance computed for the special*  
33 *education local plan area for the 2013–14 fiscal year shall be used*  
34 *for this purpose.*

35 (2) The difference between the number of units of average daily  
36 attendance upon which allocations to the special education local  
37 plan area are based for the fiscal year in which the computation is  
38 made and the number of units of average daily attendance upon  
39 which allocations to the special education local plan area were  
40 based for the prior fiscal year.

1 (e) If, in the fiscal year for which the computation is made, the  
 2 number of units of average daily attendance upon which the  
 3 allocations to the special education local plan area identified as  
 4 the Los Angeles County Juvenile Court and Community  
 5 School/Division of Alternative Education Special Education Local  
 6 Plan Area are based is greater than the number of units of average  
 7 daily attendance upon which the allocations to that special  
 8 education local plan area were based in the prior fiscal year, that  
 9 special education local plan area shall be allocated a growth  
 10 adjustment equal to the product determined by multiplying the  
 11 amounts determined under paragraphs (1) and (2).

12 (1) The amount of funding per unit of average daily attendance  
 13 computed for the special education local plan area for the prior  
 14 fiscal year pursuant to Section 56836.10 multiplied by one plus  
 15 the inflation-adjustment factor computed pursuant to Section  
 16 42238.1 for the fiscal year in which the computation is being made,  
 17 as that section read on January 1, 2013, or any successor section  
 18 of law enacted by the Legislature that specifies the inflation factor  
 19 contained in Section 42238.1, as that section read on January 1,  
 20 2013. For the 2013–14 fiscal year only, the amount of funding per  
 21 unit of average daily attendance computed for the special education  
 22 local plan area for the 2013–14 fiscal year shall be used, and  
 23 multiplied by one plus the inflation factor computed pursuant to  
 24 Section 42238.1, as that section read on January 1, 2013, or any  
 25 successor section of law enacted by the Legislature that specifies  
 26 the inflation factor contained in Section 42238.1, as that section  
 27 read on January 1, 2013, for application to the 2013–14 fiscal  
 28 year and each fiscal year thereafter.

29 (2) The difference between the number of units of average daily  
 30 attendance upon which allocations to the special education local  
 31 plan area are based for the fiscal year in which the computation is  
 32 made and the number of units of average daily attendance upon  
 33 which allocations to the special education local plan area were  
 34 based for the prior fiscal year.

35 SEC. 55. Section 56836.22 of the Education Code is amended  
 36 to read:

37 56836.22. (a) Commencing with the 1985–86 fiscal year, and  
 38 for each fiscal year thereafter, funds to support ~~specialized books,~~  
 39 ~~materials, and equipment~~ *special education and related services*  
 40 as required under the individualized education program for each

1 pupil with ~~low incidence~~ *low-incidence* disabilities, as defined in  
2 Section 56026.5, shall be determined by dividing the total number  
3 of pupils with ~~low incidence~~ *low-incidence* disabilities in the state,  
4 as reported on December 1 of the prior fiscal year, into the annual  
5 appropriation provided for this purpose in the Budget Act.

6 (b) The per-pupil entitlement determined pursuant to subdivision  
7 (a) shall be multiplied by the number of pupils with ~~low incidence~~  
8 *low-incidence* disabilities in each special education local plan area  
9 to determine the total funds available for each local plan.

10 (c) The ~~superintendent~~ *Superintendent* shall apportion the  
11 amount determined pursuant to subdivision (b) to the special  
12 education local plan area for purposes of ~~purchasing and~~  
13 ~~coordinating the use of specialized books, materials, and equipment~~  
14 *providing special education and related services as required under*  
15 *the individualized education program for each pupil with*  
16 *low-incidence disabilities.*

17 (d) ~~As a condition of receiving these funds, the special education~~  
18 ~~local plan area shall ensure that the appropriate books, materials,~~  
19 ~~and equipment are purchased, that the use of the equipment is~~  
20 ~~coordinated as necessary, and that the books, materials, and~~  
21 ~~equipment are reassigned to local educational agencies within the~~  
22 ~~special education local plan area once the agency that originally~~  
23 ~~received the books, materials, and equipment no longer needs~~  
24 ~~them.~~

25 (e) ~~It is the intent of the Legislature that special education local~~  
26 ~~plan areas share unused specialized books, materials, and~~  
27 ~~equipment with neighboring special education local plan areas.~~

28 *SEC. 56. Section 56836.23 of the Education Code is amended*  
29 *to read:*

30 *56836.23. Funds—Each special education local plan area shall*  
31 *dedicate a portion of the funds it receives pursuant to Section*  
32 *56836.10 for regionalized operations and services and the direct*  
33 *instructional support of program specialists—shall be apportioned*  
34 *to the special education local plan areas. As a condition to of*  
35 *receiving those funds, the special education local plan area shall*  
36 *ensure that all functions listed below are performed in accordance*  
37 *with the description set forth in its local plan adopted pursuant to*  
38 *Section 56205:*

39 (a) Coordination of the special education local plan area and  
40 the implementation of the local plan.

- 1 (b) Coordinated system of identification and assessment.
- 2 (c) Coordinated system of procedural safeguards.
- 3 (d) Coordinated system of staff development and parent and
- 4 guardian education.
- 5 (e) Coordinated system of curriculum development and
- 6 alignment with the core curriculum.
- 7 (f) Coordinated system of internal program review, evaluation
- 8 of the effectiveness of the local plan, and implementation of a local
- 9 plan accountability mechanism.
- 10 (g) Coordinated system of data collection and management.
- 11 (h) Coordination of interagency agreements.
- 12 (i) Coordination of services to medical facilities.
- 13 (j) Coordination of services to licensed children’s institutions
- 14 and foster family homes.
- 15 (k) Preparation and transmission of required special education
- 16 local plan area reports.
- 17 (l) Fiscal and logistical support of the community advisory
- 18 committee.
- 19 (m) Coordination of transportation services for individuals with
- 20 exceptional needs.
- 21 (n) Coordination of career and vocational education and
- 22 transition services.
- 23 (o) Assurance of full educational opportunity.
- 24 (p) Fiscal administration and the allocation of state and federal
- 25 funds pursuant to Section 56836.01.
- 26 (q) Direct instructional program support that may be provided
- 27 by program specialists in accordance with Section 56368.
- 28 *SEC. 57. Section 56836.24 of the Education Code is repealed.*
- 29 ~~56836.24.— Commencing with the 1998–99 fiscal year and each~~
- 30 ~~year thereafter, the superintendent shall make the following~~
- 31 ~~computations to determine the amount of funding for the purposes~~
- 32 ~~specified in Section 56836.23 to apportion to each special education~~
- 33 ~~local plan area for the fiscal year in which the computation is made:~~
- 34 ~~(a) For the 1998–99 fiscal year the superintendent shall make~~
- 35 ~~the following computations:~~
- 36 ~~(1) Multiply the total amount of state General Fund money~~
- 37 ~~allocated to the special education local plan areas in the 1997–98~~
- 38 ~~fiscal year, for the purposes of Article 9 (commencing with Section~~
- 39 ~~56780) of Chapter 7, as that chapter existed on December 31, 1998,~~

1 by one plus the inflation factor computed pursuant to subdivision  
2 (b) of Section 42238.1 for the 1998–99 fiscal year.

3 (2) ~~Divide the amount calculated in paragraph (1) by the units~~  
4 ~~of average daily attendance, exclusive of average daily attendance~~  
5 ~~for absences excused pursuant to subdivision (b) of Section 46010~~  
6 ~~as that subdivision read on July 1, 1997, reported for the special~~  
7 ~~education local plan area for the 1997–98 fiscal year.~~

8 (3) ~~To determine the amount to be allocated to each special~~  
9 ~~education local plan area in the 1998–99 fiscal year, the~~  
10 ~~superintendent shall multiply the amount computed in paragraph~~  
11 ~~(2) by the number of units of average daily attendance reported~~  
12 ~~for the special education local plan area for the 1998–99 fiscal~~  
13 ~~year, except that a special education local plan area designated as~~  
14 ~~a necessary small special education local plan area in accordance~~  
15 ~~with Section 56212 and reporting fewer than 15,000 units of~~  
16 ~~average daily attendance for the 1998–99 fiscal year shall be~~  
17 ~~deemed to have 15,000 units of average daily attendance, and no~~  
18 ~~special education local plan area shall receive less than it received~~  
19 ~~in the 1997–98 fiscal year.~~

20 (b) ~~For the 1999–2000 fiscal year and each fiscal year thereafter,~~  
21 ~~the superintendent shall make the following calculations:~~

22 (1) ~~Multiply the amount determined in paragraph (2) of~~  
23 ~~subdivision (a) by one plus the inflation factor computed pursuant~~  
24 ~~to subdivision (b) of Section 42238.1 for the current fiscal year.~~

25 (2) ~~Multiply the amount determined in paragraph (1) by the~~  
26 ~~number of units of average daily attendance reported for the special~~  
27 ~~education local plan area for the current fiscal year, except that a~~  
28 ~~special education local plan area designated as a necessary small~~  
29 ~~special education local plan area in accordance with Section 56212~~  
30 ~~and reporting fewer than 15,000 units of average daily attendance~~  
31 ~~for the current fiscal year shall be deemed to have 15,000 units of~~  
32 ~~average daily attendance.~~

33 *SEC. 58. Section 56836.25 of the Education Code is repealed.*

34 ~~56836.25. Funds received pursuant to this article shall be~~  
35 ~~expended for the purposes specified in Section 56836.23.~~

36 *SEC. 59. Section 56836.30 of the Education Code is repealed.*

37 ~~56836.30. If special education local plan areas reorganize,~~  
38 ~~including any mergers or divisions, the department shall adjust~~  
39 ~~rates for payments to and from the resulting plan areas so that~~  
40 ~~overall funding neither increases nor decreases from what it would~~

1 ~~have been prior to the reorganization. The effect of this section~~  
2 ~~may be modified for any specific reorganization by enactment of~~  
3 ~~legislation.~~

4 *SEC. 60. Section 56836.31 is added to the Education Code, to*  
5 *read:*

6 *56836.31. To accomplish the activities set forth in Section*  
7 *56836.23, supplemental funds shall be apportioned to special*  
8 *education local plan areas that are designated as necessary small*  
9 *special education local plan areas in accordance with Section*  
10 *56212 and that report fewer than 15,000 units of average daily*  
11 *attendance.*

12 *(a) For 2013–14 fiscal year and each fiscal year thereafter, the*  
13 *Superintendent shall allocate this supplemental amount based on*  
14 *the following computations:*

15 *(1) Calculate the difference between the number of units of*  
16 *average daily attendance reported for the necessary small special*  
17 *education local plan area for the current fiscal year and 15,000*  
18 *units of average daily attendance.*

19 *(2) Multiply the amount calculated in paragraph (1) by the rate*  
20 *calculated in subdivision (b).*

21 *(b) For the 2013–14 fiscal year, the supplemental rate per unit*  
22 *of average daily attendance shall be fifteen dollars (\$15). For the*  
23 *2014–15 fiscal year and each fiscal year thereafter, the*  
24 *supplemental rate per unit of average daily attendance shall be*  
25 *fifteen dollars (\$15) multiplied by one plus the inflation factor*  
26 *computed pursuant to subdivision (b) of Section 42238.1 for the*  
27 *current fiscal year.*

28 *SEC. 61. Section 60810 of the Education Code is amended to*  
29 *read:*

30 *60810. (a) (1) The Superintendent shall review existing tests*  
31 *that assess the English language development of pupils whose*  
32 *primary language is a language other than English. The tests shall*  
33 *include, but not be limited to, an assessment of achievement of*  
34 *these pupils in English reading, speaking, and written skills. The*  
35 *Superintendent shall determine which tests, if any, meet the*  
36 *requirements of subdivisions (b) and (c). If any existing test or*  
37 *series of tests meets these criteria, the Superintendent, with*  
38 *approval of the state board, shall report to the Legislature on its*  
39 *findings and recommendations.*

1 (2) If no suitable test exists, the Superintendent shall explore  
2 the option of a collaborative effort with other states to develop a  
3 test or series of tests and share test development costs. If no suitable  
4 test exists, the Superintendent, with approval of the state board,  
5 may contract to develop a test or series of tests that meets the  
6 criteria of subdivisions (b) and (c) or may contract to modify an  
7 existing test or series of tests so that it will meet the requirements  
8 of subdivisions (b) and (c).

9 (3) The Superintendent and the state board shall release a request  
10 for proposals for the development of the test or series of tests  
11 required by this subdivision. The state board shall select a  
12 contractor or contractors for the development of the test or series  
13 of tests required by this subdivision, to be available for  
14 administration during the 2000–01 school year.

15 (4) The Superintendent shall apportion funds appropriated to  
16 enable school districts to meet the requirements of subdivision (d).  
17 The state board shall establish the amount of funding to be  
18 apportioned per test administered, based on a review of the cost  
19 per test.

20 (5) An adjustment to the amount of funding to be apportioned  
21 per test is not valid without the approval of the Director of Finance.  
22 A request for approval of an adjustment to the amount of funding  
23 to be apportioned per test shall be submitted in writing to the  
24 Director of Finance and the chairpersons of the fiscal committees  
25 of both houses of the Legislature with accompanying material  
26 justifying the proposed adjustment. The Director of Finance is  
27 authorized to approve only those adjustments related to activities  
28 required by statute. The Director of Finance shall approve or  
29 disapprove the amount within 30 days of receipt of the request and  
30 shall notify the chairpersons of the fiscal committees of both houses  
31 of the Legislature of the decision.

32 (b) (1) The test or series of tests developed or acquired pursuant  
33 to subdivision (a) shall have sufficient range to assess pupils in  
34 grades 2 to 12, inclusive, in English listening, speaking, reading,  
35 and writing skills. Pupils in kindergarten and grade 1 shall be  
36 assessed in English listening and speaking, and, once an assessment  
37 is developed, early literacy skills. The early literacy assessment  
38 shall be administered for a period of ~~three~~ *four* years beginning  
39 after the initial administration of the assessment or until July 1,  
40 ~~2012, 2014~~, whichever occurs first. Six months after the ~~results of~~

1 ~~the last administered assessment~~ *three administered assessments*  
2 are collected, but no later than ~~January 1, June 30, 2013~~, the  
3 department shall report to the Legislature on the administration of  
4 the kindergarten and grade 1 early literacy assessment results, as  
5 well as on the administrative process, in order to determine whether  
6 reauthorization of the early literacy assessment is appropriate.

7 (2) In the development and administration of the assessment  
8 for pupils in kindergarten and grade 1, the department shall  
9 minimize any additional assessment time, to the extent possible.  
10 To the extent that it is technically possible, items that are used to  
11 assess listening and speaking shall be used to measure early literacy  
12 skills. The department shall ensure that the test and procedures for  
13 its administration are age and developmentally appropriate. Age  
14 and developmentally appropriate procedures for administration  
15 may include, but are not limited to, one-on-one administration, a  
16 small group setting, and orally responding or circling a response  
17 to a question.

18 (c) The test or series of tests shall meet all of the following  
19 requirements:

20 (1) Provide sufficient information about pupils at each grade  
21 level to determine levels of proficiency ranging from no English  
22 proficiency to fluent English proficiency with at least two  
23 intermediate levels.

24 (2) Have psychometric properties of reliability and validity  
25 deemed adequate by technical experts.

26 (3) Be capable of administration to pupils with any primary  
27 language other than English.

28 (4) Be capable of administration by classroom teachers.

29 (5) Yield scores that allow comparison of the growth of a pupil  
30 over time, can be tied to readiness for various instructional options,  
31 and can be aggregated for use in the evaluation of program  
32 effectiveness.

33 (6) Not discriminate on the basis of race, ethnicity, or gender.

34 (7) Be aligned with the standards for English language  
35 development adopted by the state board pursuant to Section 60811.

36 (8) Be age and developmentally appropriate for pupils.

37 (d) The test shall be used for the following purposes:

38 (1) To identify pupils who are limited English proficient.

39 (2) To determine the level of English language proficiency of  
40 pupils who are limited English proficient.

1 (3) To assess the progress of limited-English-proficient pupils  
2 in acquiring the skills of listening, reading, speaking, and writing  
3 in English.

4 (e) (1) A pupil in any of grades 3 to 12, inclusive, shall not be  
5 required to retake those portions of the test that measure English  
6 language skills for which he or she has previously tested as  
7 advanced within each appropriate grade span, as determined by  
8 the department in accordance with paragraph (8) of subdivision  
9 (c).

10 (2) Notwithstanding paragraph (1), a pupil in any of grades 10  
11 to 12, inclusive, shall not be required to retake those portions of  
12 the test that measure English language skills for which he or she  
13 has previously tested as early advanced or advanced.

14 (3) This subdivision shall not be implemented until the test  
15 publisher's contract that is in effect on January 1, 2012, expires.

16 (4) This subdivision shall not be implemented unless and until  
17 the department receives written documentation from the United  
18 States Department of Education that implementation is permitted  
19 by federal law.

20 *SEC. 62. Section 66025.92 is added to the Education Code, to*  
21 *read:*

22 *66025.92. (a) The Legislature finds and declares that the*  
23 *priority enrollment for registration required by this section is*  
24 *necessary to ensure that the flexibility related to educational*  
25 *opportunities that was adopted as part of the broader changes to*  
26 *the California Work Opportunity and Responsibility to Kids*  
27 *(CalWORKs) program in Chapter 47 of the Statutes of 2012 is not*  
28 *undermined by students who are CalWORKs recipients being*  
29 *unable to access necessary classes.*

30 *(b) Each community college district that administers a priority*  
31 *enrollment system shall grant priority in that system for*  
32 *registration for enrollment to any student who is a CalWORKs*  
33 *recipient.*

34 *(c) Students who receive priority registration for enrollment*  
35 *pursuant to this section shall comply with the requirements of*  
36 *subdivision (a) of Section 78212.*

37 *(d) For purposes of this section, "CalWORKs recipient" means*  
38 *a recipient of aid under Chapter 2 (commencing with Section*  
39 *11200) of Part 3 of Division 9 of the Welfare and Institutions Code*  
40 *or any successor program.*

1     *SEC. 63. Section 79146 of the Education Code is amended to*  
2 *read:*

3     79146. To the extent sufficient resources exist, the board of  
4 governors may establish internship training programs and actively  
5 support apprenticeship training programs in collaboration with the  
6 ~~State Department of Education and the Division of Apprenticeship~~  
7 *Standards of the Department of Industrial Relations*. The board of  
8 governors may establish internship training programs pursuant to  
9 this section for only those occupations not covered by an  
10 apprenticeship training program approved by the Division of  
11 Apprenticeship Standards of the Department of Industrial Relations  
12 ~~prior to before~~ January 1, 1998.

13     *SEC. 64. Section 79148 of the Education Code is amended to*  
14 *read:*

15     79148. ~~(a)~~ To the extent that sufficient federal funds and other  
16 resources are available, the Division of Apprenticeship Standards  
17 *of the Department of Industrial Relations*, in partnership with the  
18 ~~State Department of Education and the California Community~~  
19 *Colleges*, shall develop and implement innovative apprenticeship  
20 training demonstration projects in high-growth industries in  
21 emerging and transitioning occupations that meet local labor market  
22 needs and that are validated by current labor market data.

23     ~~(b) The Division of Apprenticeship Standards, in collaboration~~  
24 ~~with the State Department of Education and the California~~  
25 ~~Community Colleges, shall submit a report not later than December~~  
26 ~~31, 1998, to the Governor and the Legislature containing a~~  
27 ~~summary of educational and vocational outcomes resulting from~~  
28 ~~innovative apprenticeship training demonstration projects. The~~  
29 ~~report shall include a status report on the number of participating~~  
30 ~~registered apprentices as well as a statewide analysis and needs~~  
31 ~~assessment regarding the extent that these apprenticeship training~~  
32 ~~demonstration projects are meeting work force training needs in~~  
33 ~~high growth industries.~~

34     *SEC. 65. Section 79149 is added to the Education Code, to*  
35 *read:*

36     79149. *(a) The Chancellor of the California Community*  
37 *Colleges shall be responsible for allocating funds for*  
38 *apprenticeship programs in good standing and approved pursuant*  
39 *to Chapter 4 (commencing with Section 3070) of Division 3 of the*  
40 *Labor Code for the community colleges.*

1     **(b)** Upon appropriation by the Legislature, the Chancellor of  
2 the California Community Colleges shall allocate funds solely for  
3 the purposes of reimbursing community colleges pursuant to  
4 Section 79149.3.

5     SEC. 66. Section 79149.1 is added to the Education Code, to  
6 read:

7     79149.1. Attendance of apprentices enrolled in any class  
8 maintained by a community college, pursuant to Section 3074 of  
9 the Labor Code, shall be reimbursed pursuant to Section 79149.3  
10 only if reported separately to the Chancellor of the California  
11 Community Colleges. Attendance reported pursuant to this section  
12 shall be used only for purposes of calculating allowances pursuant  
13 to Section 79149.3.

14     SEC. 67. Section 79149.2 is added to the Education Code, to  
15 read:

16     79149.2. (a) An apprentice attending community college in  
17 classes of related and supplemental instruction as provided  
18 pursuant to Section 3074 of the Labor Code and in accordance  
19 with subdivision (d) of Section 3078 of the Labor Code shall be  
20 exempt from the requirements of any interdistrict attendance  
21 agreement for those classes.

22     (b) A community college shall be exempt from Section 55301  
23 of Title 5 of the California Code of Regulations when establishing  
24 an apprenticeship course or program outside the territory of its  
25 community college district for nonresidents of that district when  
26 the participants in the class are indentured apprentices and the  
27 apprenticeship course or program is approved by the Division of  
28 Apprenticeship Standards of the Department of Industrial  
29 Relations.

30     SEC. 68. Section 79149.3 is added to the Education Code, to  
31 read:

32     79149.3. (a) The reimbursement rate shall be established in  
33 the annual Budget Act and the rate shall be commonly applied to  
34 all providers of instruction specified in subdivision (d).

35     (b) For purposes of this section, each hour of teaching time may  
36 include up to 10 minutes of passing time and breaks.

37     (c) This section also applies to isolated apprentices, as defined  
38 in Section 3074 of the Labor Code, for which alternative methods  
39 of instruction are provided.

1     (d) *The Chancellor of the California Community Colleges shall*  
2 *make the reimbursements specified in this section for teaching*  
3 *time provided by community colleges.*

4     (e) *The hours for related and supplemental instruction derived*  
5 *from funds appropriated pursuant to subdivision (b) of Section*  
6 *79149 shall be allocated by the Chancellor of the California*  
7 *Community Colleges directly to participating community colleges*  
8 *that contract with apprenticeship programs pursuant to subdivision*  
9 *(f).*

10    (f) *Reimbursements may be made under this section for related*  
11 *and supplemental instruction provided to indentured apprentices*  
12 *only if the instruction is provided by a program approved by the*  
13 *Division of Apprenticeship Standards of the Department of*  
14 *Industrial Relations in accordance with Chapter 4 (commencing*  
15 *with Section 3070) of Division 3 of the Labor Code.*

16    (g) *The initial allocation of hours for related and supplemental*  
17 *instruction pursuant to subdivision (e) at the beginning of any*  
18 *fiscal year when multiplied by the hourly rate established in the*  
19 *Budget Act for that year shall equal 100 percent of total*  
20 *appropriation for apprenticeships.*

21    (h) *If funds remain from the appropriation pursuant to*  
22 *subdivision (b) of Section 79149, the Chancellor of the California*  
23 *Community Colleges shall reimburse community colleges for*  
24 *unfunded related and supplemental instruction hours from any of*  
25 *the three previous fiscal years, in the following order:*

26     (1) *Reported related and supplemental instruction hours as*  
27 *described in subdivision (b) of Section 79149.5 that were paid at*  
28 *a rate less than the hourly rate specified in the Budget Act.*

29     (2) *Reported related and supplemental instruction hours that*  
30 *were not reimbursed.*

31    SEC. 69. *Section 79149.4 is added to the Education Code, to*  
32 *read:*

33    79149.4. *For purposes of the California Firefighter Joint*  
34 *Apprenticeship Program, a class of related and supplemental*  
35 *instruction that qualifies for funding pursuant to Section 79149.3*  
36 *includes, but is not necessarily limited to, a class that meets both*  
37 *of the following requirements:*

38     (a) *The class is conducted at the workplace.*

39     (b) *The person providing instruction is qualified, by means of*  
40 *education or experience, as a journeyman and shares the*

1 responsibility for supervision of the apprentices participating in  
2 the classes with the certified community college or adult education  
3 coordinator.

4 SEC. 70. Section 79149.5 is added to the Education Code, to  
5 read:

6 79149.5. (a) The Chancellor of the California Community  
7 Colleges, in consultation with the Division of Apprenticeship  
8 Standards of the Department of Industrial Relations and the  
9 Superintendent, shall annually review the amount of state funding  
10 necessary to provide the reimbursements specified in Section  
11 79149.3, and shall include an estimate of required funds in its  
12 budget for each fiscal year.

13 (b) If the amounts appropriated in any fiscal year are insufficient  
14 to provide full reimbursement, the hourly rate specified in Section  
15 79149 shall be reduced on a pro rata basis only for reported hours  
16 that are in excess of the number of hours allocated at the beginning  
17 of the fiscal year so that the entire appropriation is allocated.

18 (c) If the amount appropriated is in excess of the amounts  
19 needed for full reimbursement pursuant to subdivision (h) of section  
20 79149.3, any excess shall be allocated to community college  
21 districts to be used for the purpose of the state general  
22 apportionment.

23 SEC. 71. Section 79149.6 is added to the Education Code, to  
24 read:

25 79149.6. (a) The Chancellor of the California Community  
26 Colleges and the Division of Apprenticeship Standards of the  
27 Department of Industrial Relations, in consultation with the  
28 Superintendent, shall jointly develop a model format for  
29 agreements between apprenticeship programs and community  
30 colleges for instruction pursuant to Section 3074 of the Labor  
31 Code.

32 (b) By March 14, 2014, the Chancellor of the California  
33 Community Colleges and the Division of Apprenticeship Standards  
34 of the Department of Industrial Relations, with equal participation  
35 by local educational agencies and community college  
36 apprenticeship administrators, shall develop common  
37 administrative practices and treatment of costs and services, as  
38 well as other policies related to apprenticeship programs. Any  
39 policies developed pursuant to this subdivision shall become  
40 operative upon approval by the California Apprenticeship Council.

1 SEC. 72. Section 84043 of the Education Code is amended to  
2 read:

3 84043. (a) (1) Notwithstanding any other ~~provision of~~ law,  
4 and unless otherwise prohibited under federal law, for the 2009–10  
5 to 2014–15 fiscal years, inclusive, community college districts  
6 may use funding received, pursuant to subdivision (b), from any  
7 of the programs listed in paragraph (2) that are contained in Item  
8 6870-101-0001 of Section 2.00 of the annual Budget Act, for the  
9 purposes of any of the programs contained in Schedule (2) and  
10 Schedules (4) to (23), inclusive, of Item 6870-101-0001 of Section  
11 2.00 of the Budget Act of 2009.

- 12 ~~(2) (A) Apprenticeship.~~
- 13 ~~(B) Matriculation.~~
- 14 ~~(C)~~
- 15 (2) (A) Academic Senate for the Community Colleges.
- 16 ~~(D)~~
- 17 (B) Equal Employment Opportunity.
- 18 ~~(E)~~
- 19 (C) Part-time Faculty Health Insurance.
- 20 ~~(F)~~
- 21 (D) Part-time Faculty Compensation.
- 22 ~~(G)~~
- 23 (E) Part-time Faculty Office Hours.
- 24 ~~(H)~~
- 25 (F) Economic Development.
- 26 ~~(I)~~
- 27 (G) Transfer Education and Articulation.
- 28 ~~(J)~~
- 29 (H) Physical Plant and Instructional Support.
- 30 ~~(K)~~
- 31 (I) Campus Childcare Tax Bailout.

32 (b) For the 2009–10 to 2014–15 fiscal years, inclusive, the  
33 chancellor shall apportion from the amounts provided in the annual  
34 Budget Act for the programs enumerated in paragraph (2) of  
35 subdivision (a), an amount to a community college district, based  
36 on the same relative proportion that the *community college* district  
37 received in the 2008–09 fiscal year for the programs enumerated  
38 in paragraph (2) of subdivision (a). The amounts allocated shall  
39 be adjusted for any greater or lesser amount appropriated for the  
40 items enumerated in paragraph (2) of subdivision (a).

1 (c) (1) This section does not obligate the state to refund or repay  
2 reductions made pursuant to this section. A decision by a  
3 *community college* district to reduce funding pursuant to this  
4 section for a state-mandated local program shall constitute a waiver  
5 of the subvention of funds that the *community college* district is  
6 otherwise entitled to pursuant to Section 6 of Article XIII B of the  
7 California Constitution on the amount so reduced.

8 (2) If a community college district elects to use funding received  
9 pursuant to subdivision (b) in the manner authorized pursuant to  
10 subdivision (a), the governing board of the *community college*  
11 district shall, at a regularly scheduled open public hearing, take  
12 testimony from the public, discuss, and shall approve or disapprove  
13 the proposed use of funding.

14 (3) (A) If a community college district elects to use funding  
15 received pursuant to subdivision (b) in the manner authorized  
16 pursuant to subdivision (a), the *community college* district shall  
17 continue to report the expenditures pursuant to this section by  
18 using the appropriate codes to indicate the activities for which  
19 these funds were expended using the existing standard reporting  
20 process as determined by the chancellor.

21 (B) The chancellor shall collect the information in subparagraph  
22 (A) and shall provide that information to the Department of Finance  
23 and to the appropriate policy and budget committees of the  
24 Legislature on or before April 15, 2010, and annually thereafter  
25 by April 15 of each year, through 2016.

26 (d) For the 2009–10 to 2014–15 fiscal years, inclusive,  
27 community college districts that elect to use funding in the manner  
28 authorized pursuant to subdivision (a) shall be deemed to be in  
29 compliance with the program and funding requirements contained  
30 in statutory, regulatory, and provisional language, associated with  
31 the programs enumerated in subdivision (a).

32 *SEC. 73. Section 84321.6 of the Education Code is amended*  
33 *to read:*

34 84321.6. (a) Notwithstanding any other law that governs the  
35 regulations adopted by the Chancellor of the California Community  
36 Colleges to disburse funds, the payment of apportionments to  
37 community college districts pursuant to Sections 84320 and 84321  
38 shall be adjusted by the following:

1 (1) For the month of January, one hundred twenty-six million  
2 ninety-four thousand dollars (\$126,094,000) shall be deferred to  
3 July.

4 (2) For the month of February, one hundred thirty-five million  
5 dollars (\$135,000,000) shall be deferred to July.

6 (3) For the month of March, one hundred thirty-five million  
7 dollars (\$135,000,000) shall be deferred to July.

8 (4) For the month of April, one hundred thirty-five million  
9 dollars (\$135,000,000) shall be deferred to July.

10 (5) For the month of May, one hundred thirty-five million dollars  
11 (\$135,000,000) shall be deferred to July.

12 (6) For the month of June, one hundred thirty-five million dollars  
13 (\$135,000,000) shall be deferred to July.

14 (b) In satisfaction of the moneys deferred pursuant to subdivision  
15 (a), the sum of eight hundred one million ninety-four thousand  
16 dollars (\$801,094,000) is hereby appropriated in July of the  
17 2013–14 fiscal year from the General Fund to the Board of  
18 Governors of the California Community Colleges for  
19 apportionments to community college districts, for expenditure  
20 during the 2013–14 fiscal year, to be expended in accordance with  
21 Schedule (1) of Item 6870-101-0001 of Section 2.00 of the Budget  
22 Act of 2012.

23 (c) *For purposes of making the computations required by Section*  
24 *8 of Article XVI of the California Constitution, one hundred*  
25 *seventy-eight million six hundred thirty-eight thousand dollars*  
26 *(\$178,638,000) of the appropriations made by subdivision (b) shall*  
27 *be deemed to be “General Fund revenues appropriated for*  
28 *community college districts,” as defined in subdivision (d) of*  
29 *Section 41202, for the 2012–13 fiscal year, and included within*  
30 *the “total allocations to school districts and community college*  
31 *districts from General Fund proceeds of taxes appropriated*  
32 *pursuant to Article XIII B,” as defined in subdivision (e) of Section*  
33 *41202, for the 2012–13 fiscal year.*

34 (e)

35 (d) For purposes of making the computations required by Section  
36 8 of Article XVI of the California Constitution, *six hundred*  
37 *twenty-two million four hundred fifty-six thousand dollars*  
38 *(\$622,456,000) of the appropriations made by subdivision (b) shall*  
39 *be deemed to be “General Fund revenues appropriated for*  
40 *community college districts,” as defined in subdivision (d) of*

1 Section 41202, for the 2013–14 fiscal year, and included within  
2 the “total allocations to school districts and community college  
3 districts from General Fund proceeds of taxes appropriated pursuant  
4 to Article XIII B,” as defined in subdivision (e) of Section 41202,  
5 for the 2013–14 fiscal year.

6 ~~(d)~~

7 (e) This section shall not become operative until December 15,  
8 2012, ~~and shall become operative only if the Schools and Local  
9 Public Safety Protection Act of 2012 (Attorney General reference  
10 number 12–0009) is approved by the voters at the November 6,  
11 2012, statewide general election, and all of the provisions of that  
12 act that modify personal income tax rates become operative. If the  
13 Schools and Local Public Safety Protection Act of 2012 (Attorney  
14 General reference number 12–0009) is not approved by the voters  
15 at the November 6, 2012, statewide general election, or if the  
16 provisions of that act that modify personal income tax rates do not  
17 become operative due to a conflict with another initiative measure  
18 that is approved at the same election and receives a greater number  
19 of affirmative votes, this section shall not become operative and  
20 shall become inoperative on December 15, 2013, and shall be  
21 repealed on January 1, 2013 2014.~~

22 *SEC. 74. Section 84321.6 is added to the Education Code, to  
23 read:*

24 *84321.6. (a) Notwithstanding any other law that governs the  
25 regulations adopted by the Chancellor of the California Community  
26 Colleges to disburse funds, the payment of apportionments to  
27 community college districts pursuant to Sections 84320 and 84321  
28 shall be adjusted by the following:*

29 *(1) For the month of February, fifty-five million two hundred  
30 thirty-three thousand dollars (\$55,233,000) shall be deferred to  
31 July.*

32 *(2) For the month of March, one hundred thirty-five million  
33 dollars (\$135,000,000) shall be deferred to July.*

34 *(3) For the month of April, one hundred thirty-five million  
35 dollars (\$135,000,000) shall be deferred to July.*

36 *(4) For the month of May, one hundred thirty-five million dollars  
37 (\$135,000,000) shall be deferred to July.*

38 *(5) For the month of June, one hundred thirty-five million  
39 dollars (\$135,000,000) shall be deferred to July.*

1 (b) In satisfaction of the moneys deferred pursuant to subdivision  
 2 (a), the sum of five hundred ninety-one million two hundred  
 3 thirty-three thousand dollars (\$591,233,000) is hereby  
 4 appropriated in July of the 2014–15 fiscal year from the General  
 5 Fund to the Board of Governors of the California Community  
 6 Colleges for apportionments to community college districts, for  
 7 expenditure during the 2014–15 fiscal year, to be expended in  
 8 accordance with Schedule (1) of Item 6870-101-0001 of Section  
 9 2.00 of the Budget Act of 2013.

10 (c) For purposes of making the computations required by Section  
 11 8 of Article XVI of the California Constitution, the appropriations  
 12 made by subdivision (b) shall be deemed to be “General Fund  
 13 revenues appropriated for community college districts,” as defined  
 14 in subdivision (d) of Section 41202, for the 2014–15 fiscal year,  
 15 and included within the “total allocations to school districts and  
 16 community college districts from General Fund proceeds of taxes  
 17 appropriated pursuant to Article XIII B,” as defined in subdivision  
 18 (e) of Section 41202, for the 2014–15 fiscal year.

19 (d) This section shall become operative on December 15, 2013.

20 (e) This section shall remain in effect only until January 1, 2015,  
 21 and as of that date is repealed, unless a later enacted statute, that  
 22 is enacted before January 1, 2015, deletes or extends that date.

23 SEC. 75. Article 7 (commencing with Section 84381) of Chapter  
 24 3 of Part 50 of Division 7 of Title 3 of the Education Code is  
 25 repealed.

26 SEC. 76. Article 3 (commencing with Section 84830) is added  
 27 to Chapter 5 of Part 50 of Division 7 of Title 3 of the Education  
 28 Code, to read:

29

30 *Article 3. Adult Education Consortium Program*

31

32 84830. (a) The Chancellor of the California Community  
 33 Colleges and the State Department of Education shall, pursuant  
 34 to funding made available in the annual Budget Act, jointly provide  
 35 two-year planning and implementation grants to regional consortia  
 36 of community college districts and school districts for the purpose  
 37 of developing regional plans to better serve the educational needs  
 38 of adults.

39 (1) Eligibility shall be limited to consortiums consisting of at  
 40 least one community college district and at least one school district

1 *within the boundaries of the community college district, either of*  
2 *which may serve as the consortium's fiscal agent, as determined*  
3 *by the applicant consortium.*

4 (2) *If a community college district chooses not to participate in*  
5 *a consortium, a neighboring community college district may form*  
6 *a consortium with school districts within the boundaries of the*  
7 *nonparticipating community college district.*

8 (3) *Consortia may include other entities providing adult*  
9 *education courses, including, but not necessarily limited to,*  
10 *correctional facilities, other local public entities, and*  
11 *community-based organizations.*

12 (b) *Grant funds provided pursuant to this section shall be used*  
13 *by each regional consortium to create and implement a plan to*  
14 *better provide adults in its region with all of the following:*

15 (1) *Elementary and secondary basic skills, including classes*  
16 *required for a high school diploma or high school equivalency*  
17 *certificate.*

18 (2) *Classes and courses for immigrants eligible for educational*  
19 *services in citizenship and English as a second language, and*  
20 *workforce preparation classes in basic skills.*

21 (3) *Education programs for adults with disabilities.*

22 (4) *Short-term career technical education programs with high*  
23 *employment potential.*

24 (5) *Programs for apprentices.*

25 (c) *Each regional consortium's plan shall include, at a*  
26 *minimum:*

27 (1) *An evaluation of current levels and types of adult education*  
28 *programs within its region, including education for adults in*  
29 *correctional facilities; credit, noncredit, and enhanced noncredit*  
30 *adult education coursework; and programs funded through Title*  
31 *II of the federal Workforce Investment Act, known as the Adult*  
32 *Education and Family Literacy Act (Public Law 105-220).*

33 (2) *An evaluation of current needs for adult education programs*  
34 *within its region.*

35 (3) *Plans for parties that make up the consortium to integrate*  
36 *their existing programs and create seamless transitions into*  
37 *postsecondary education or the workforce.*

38 (4) *Plans to address the gaps identified pursuant to paragraphs*  
39 *(1) and (2).*

- 1     (5) *Plans to employ approaches proven to accelerate a student's*  
2 *progress toward his or her academic or career goals, such as*  
3 *contextualized basic skills and career technical education, and*  
4 *other joint programming strategies between adult education and*  
5 *career technical education.*
- 6     (6) *Plans to collaborate in the provision of ongoing professional*  
7 *development opportunities for faculty and other staff to help them*  
8 *achieve greater program integration and improve student*  
9 *outcomes.*
- 10    (7) *Plans to leverage existing regional structures, including,*  
11 *but not necessarily limited to, local workforce investment areas.*
- 12    (d) *The Chancellor of the California Community Colleges and*  
13 *the State Department of Education may identify additional elements*  
14 *that consortia must include in a plan.*
- 15    (e) (1) *On or before March 1, 2014, the Chancellor of the*  
16 *California Community Colleges and the State Department of*  
17 *Education shall submit a joint report to the Legislature and the*  
18 *Governor. This report shall include, but not necessarily be limited*  
19 *to, all of the following:*
- 20      (A) *The status of developing regional consortia across the state,*  
21 *including identification of unserved geographic areas or emerging*  
22 *gaps in regional program delivery.*
- 23      (B) *The status and allocation of grant awards made to the*  
24 *regional consortia.*
- 25    (2) *The report shall be submitted to the Legislature as provided*  
26 *in Section 9795 of the Government Code.*
- 27    (f) (1) *On or before March 1, 2015, the Chancellor of the*  
28 *California Community Colleges and the State Department of*  
29 *Education shall submit a joint report to the Legislature and the*  
30 *Governor. This report shall include, but is not limited to, all of the*  
31 *following:*
- 32      (A) *The plans developed by the regional consortia across the*  
33 *state.*
- 34      (B) *Recommendations for additional improvements in the*  
35 *delivery system serving adult learners.*
- 36    (2) *The report shall be submitted to the Legislature as provided*  
37 *in Section 9795 of the Government Code.*
- 38    (g) *It is the intent of the legislature to work toward developing*  
39 *common policies related to adult education affecting adult schools*

1 *at local educational agencies and community colleges, including*  
2 *policies on fees and funding levels.*

3 *(h) It is the intent of the Legislature to provide additional*  
4 *funding in the 2015–16 fiscal year to the regional consortia to*  
5 *expand and improve the provision of adult education.*

6 *SEC. 77. Section 17581.5 of the Government Code is amended*  
7 *to read:*

8 17581.5. (a) A school district or community college district  
9 shall not be required to implement or give effect to the statutes, or  
10 a portion of the statutes, identified in subdivision (c) during any  
11 fiscal year and for the period immediately following that fiscal  
12 year for which the Budget Act has not been enacted for the  
13 subsequent fiscal year if all of the following apply:

14 (1) The statute or a portion of the statute, has been determined  
15 by the Legislature, the commission, or any court to mandate a new  
16 program or higher level of service requiring reimbursement of  
17 school districts or community college districts pursuant to Section  
18 6 of Article XIII B of the California Constitution.

19 (2) The statute, or a portion of the statute, or the test claim  
20 number utilized by the commission, specifically has been identified  
21 by the Legislature in the Budget Act for the fiscal year as being  
22 one for which reimbursement is not provided for that fiscal year.  
23 For purposes of this paragraph, a mandate shall be considered  
24 specifically to have been identified by the Legislature only if it  
25 has been included within the schedule of reimbursable mandates  
26 shown in the Budget Act and it specifically is identified in the  
27 language of a provision of the item providing the appropriation  
28 for mandate reimbursements.

29 (b) Within 30 days after enactment of the Budget Act, the  
30 Department of Finance shall notify school districts of any statute  
31 or executive order, or portion thereof, for which reimbursement  
32 is not provided for the fiscal year pursuant to this section.

33 (c) This section applies only to the following mandates:

34 (1) School Bus Safety I (CSM-4433) and II (97-TC-22) (Chapter  
35 642 of the Statutes of 1992; Chapter 831 of the Statutes of 1994;  
36 and Chapter 739 of the Statutes of 1997).

37 (2) County Treasury Withdrawals (96-365-03; and Chapter 784  
38 of the Statutes of 1995 and Chapter 156 of the Statutes of 1996).

- 1 (3) Grand Jury Proceedings (98-TC-27; and Chapter 1170 of  
2 the Statutes of 1996, Chapter 443 of the Statutes of 1997, and  
3 Chapter 230 of the Statutes of 1998).
- 4 (4) Law Enforcement Sexual Harassment Training (97-TC-07;  
5 and Chapter 126 of the Statutes of 1993).
- 6 (5) Health Benefits for Survivors of Peace Officers and  
7 Firefighters (Chapter 1120 of the Statutes of 1996 and 97-TC-25).
- 8 ~~(d) This section applies to the following mandates for the~~  
9 ~~2010–11, 2011–12, and 2012–13 fiscal years only:~~
- 10 ~~(1)~~
- 11 (6) Removal of Chemicals (Chapter 1107 of the Statutes of 1984  
12 and CSM 4211 and 4298).
- 13 ~~(2)~~
- 14 (7) Scoliosis Screening (Chapter 1347 of the Statutes of 1980  
15 and CSM 4195).
- 16 ~~(3)~~
- 17 (8) Pupil Residency Verification and Appeals (Chapter 309 of  
18 the Statutes of 1995 and 96-384-01).
- 19 ~~(4)~~
- 20 (9) Integrated Waste Management (Chapter 1116 of the Statutes  
21 of 1992 and 00-TC-07).
- 22 ~~(5)~~
- 23 (10) Law Enforcement Jurisdiction Agreements (Chapter 284  
24 of the Statutes of 1998 and 98-TC-20).
- 25 ~~(6)~~
- 26 (11) Physical Education Reports (Chapter 640 of the Statutes  
27 of 1997 and 98-TC-08).
- 28 ~~(7) 98.01.042.390-~~
- 29 (12) Sexual Assault Response Procedures (Chapter 423 of the  
30 Statutes of 1990 and 99-TC-12).
- 31 ~~(8) 98.01.059.389-~~
- 32 (13) Student Records (Chapter 593 of the Statutes of 1989 and  
33 02-TC-34).
- 34 (14) Absentee Ballots (Chapter 77 of the Statutes of 1978 and  
35 CSM-3713).
- 36 (15) Brendon Maguire Act (Chapter 391 of the Statutes of 1988  
37 and CSM-4357).
- 38 (16) Mandate Reimbursement Process I and II (Chapter 486 of  
39 the Statutes of 1975; Chapter 890 of the Statutes of 2004;  
40 CSM-4204; CSM-4485; and 05-TC-05).

1 (17) *Sex Offenders: Disclosure by Law Enforcement Officers*  
2 *(Chapters 908 and 909 of the Statutes of 1996; and 97-TC-15).*

3 SEC. 78. *Section 17581.6 of the Government Code is amended*  
4 *to read:*

5 17581.6. (a) Commencing with the 2012–13 fiscal year, funds  
6 provided in Item 6110-296-0001 of Section 2.00 of the annual  
7 Budget Act shall be allocated as block grants to school districts,  
8 charter schools, and county offices of education to support all of  
9 the mandated programs described in subdivision (d).

10 (b) (1) Notwithstanding any other law, each fiscal year a school  
11 district or county office of education may receive funding for the  
12 performance of the mandated activities listed in subdivision (d)  
13 either through the block grant established pursuant to this section  
14 or by claiming reimbursement pursuant to Section 17560. A school  
15 district or county office of education that claims reimbursement  
16 for any mandated activities pursuant to Section 17560 for mandated  
17 costs incurred during a fiscal year shall not be eligible for funding  
18 pursuant to this section for the same fiscal year.

19 17581.6. (a) *Funding apportioned pursuant to this section*  
20 *shall constitute reimbursement pursuant to Section 6 of Article*  
21 *XIII B of the California Constitution for the performance of any*  
22 *state mandates included in the statutes and executive orders*  
23 *identified in subdivision (e).*

24 (b) *Any school district, county office of education, or charter*  
25 *school may elect to receive block grant funding pursuant to this*  
26 *section.*

27 (2)

28 (c) (1) A school district and district, county office of education,  
29 or charter school that elects to receive block grant funding instead  
30 of seeking reimbursement pursuant to Section 17560 shall, and  
31 any charter school that elects to receive block grant funding shall,  
32 pursuant to this section in a given fiscal year shall submit a letter  
33 of intent requesting funding to the Superintendent of Public  
34 Instruction on or before September August 30 of each that fiscal  
35 year requesting block grant funding pursuant to this section. The  
36 Superintendent of Public Instruction shall distribute funding  
37 provided pursuant to subdivision (a) to school districts, charter  
38 schools, and county offices of education pursuant to the rates set  
39 forth in Item 6110-296-0001 of Section 2.00 of the annual Budget  
40 Act. Funding distributed pursuant to this section is in lieu of

1 reimbursement pursuant to Section 6 of Article XIII B of the  
 2 California Constitution for the performance of all activities  
 3 specified in subdivision (d) as those activities pertain to school  
 4 districts and county offices of education. A school district, county  
 5 office of education, or charter school that submits a letter of intent  
 6 and receives block grant funding pursuant to this section shall not  
 7 also be eligible to submit a claim for reimbursement of costs  
 8 incurred for a mandated program set forth in subdivision (d) for  
 9 the fiscal year for which the block grant funding is received.

10 (2) *The Superintendent of Public Instruction shall, in the month*  
 11 *of November of each year, apportion block grant funding*  
 12 *appropriated pursuant to Item 6110-296-0001 of Section 2.00 of*  
 13 *the annual Budget Act to all school districts, county offices of*  
 14 *education, and charter schools that submitted letters requesting*  
 15 *funding in that fiscal year according to the provisions of that item.*

16 (3) *A school district or county office of education that receives*  
 17 *block grant funding pursuant to this section shall not be eligible*  
 18 *to submit claims to the Controller for reimbursement pursuant to*  
 19 *Section 17560 for any costs of any state mandates included in the*  
 20 *statutes and executive orders identified in subdivision (e) incurred*  
 21 *in the same fiscal year during which the school district or county*  
 22 *office of education received funding pursuant to this section.*

23 (e)

24 (d) ~~Block grant funding provided to school districts, charter~~  
 25 ~~schools, and county offices of education apportioned pursuant to~~  
 26 ~~this section is subject to annual financial and compliance audits~~  
 27 ~~required by Section 41020 of the Education Code.~~

28 (d)

29 (e) ~~Block grant funding provided apportioned pursuant to this~~  
 30 ~~section to individual school districts, charter schools, and county~~  
 31 ~~offices of education is to support all of the following mandated is~~  
 32 ~~specifically intended to fund the costs of the following programs~~  
 33 ~~and activities:~~

34 (1) ~~Absentee Ballots (CSM 3713; Chapter 77 of the Statutes of~~  
 35 ~~1978 and Chapter 1032 of the Statutes of 2002).~~

36 (2)

37 (1) ~~Academic Performance Index (01-TC-22; Chapter 3 of the~~  
 38 ~~Statutes of 1999, First Extraordinary Session; and Chapter 695 of~~  
 39 ~~the Statutes of 2000).~~

40 (3)

- 1 (2) Agency Fee Arrangements (00-TC-17 and 01-TC-14;  
2 Chapter 893 of the Statutes of 2000 and Chapter 805 of the Statutes  
3 of 2001).
- 4 ~~(4)~~
- 5 (3) AIDS Instruction and AIDS Prevention Instruction (CSM  
6 4422, 99-TC-07, and 00-TC-01; Chapter 818 of the Statutes of  
7 1991; and Chapter 403 of the Statutes of 1998).
- 8 ~~(5)~~
- 9 (4) California State Teachers' Retirement System Service Credit  
10 (02-TC-19; Chapter 603 of the Statutes of 1994; Chapters 383,  
11 634, and 680 of the Statutes of 1996; Chapter 838 of the Statutes  
12 of 1997; Chapter 965 of the Statutes of 1998; Chapter 939 of the  
13 Statutes of 1999; and Chapter 1021 of the Statutes of 2000).
- 14 ~~(6)~~
- 15 (5) Caregiver Affidavits (CSM 4497; Chapter 98 of the Statutes  
16 of 1994).
- 17 ~~(7)~~
- 18 (6) Charter Schools I, II, and III (CSM 4437, 99-TC-03, and  
19 99-TC-14; Chapter 781 of the Statutes of 1992; Chapters 34 and  
20 673 of the Statutes of 1998; Chapter 34 of the Statutes of 1998;  
21 and Chapter 78 of the Statutes of 1999).
- 22 ~~(8)~~
- 23 (7) Child Abuse and Neglect Reporting (01-TC-21; Chapters  
24 640 and 1459 of the Statutes of 1987; Chapter 132 of the Statutes  
25 of 1991; Chapter 459 of the Statutes of 1992; Chapter 311 of the  
26 Statutes of 1998; Chapter 916 of the Statutes of 2000; and Chapters  
27 133 and 754 of the Statutes of 2001).
- 28 ~~(9)~~
- 29 (8) Collective Bargaining (CSM 4425; Chapter 961 of the  
30 Statutes of 1975).
- 31 ~~(10)~~
- 32 (9) Comprehensive School Safety Plans (98-TC-01 and  
33 99-TC-10; Chapter 736 of the Statutes of 1997; Chapter 996 of  
34 the Statutes of 1999; and Chapter 828 of the Statutes of 2003).
- 35 ~~(11)~~
- 36 (10) Consolidation of Annual Parent Notification/Schoolsite  
37 Discipline Rules/Alternative Schools (CSM 4488, CSM 4461,  
38 99-TC-09, 00-TC-12, 97-TC-24, CSM 4453, CSM 4474, CSM  
39 4462; Chapter 448 of the Statutes of 1975; Chapter 965 of the  
40 Statutes of 1977; Chapter 975 of the Statutes of 1980; Chapter 469

1 of the Statutes of 1981; Chapter 459 of the Statutes of 1985;  
2 Chapters 87 and 97 of the Statutes of 1986; Chapter 1452 of the  
3 Statutes of 1987; Chapters 65 and 1284 of the Statutes of 1988;  
4 Chapter 213 of the Statutes of 1989; Chapters 10 and 403 of the  
5 Statutes of 1990; Chapter 906 of the Statutes of 1992; Chapter  
6 1296 of the Statutes of 1993; Chapter 929 of the Statutes of 1997;  
7 Chapters 846 and 1031 of the Statutes of 1998; Chapter 1 of the  
8 Statutes of 1999, First Extraordinary Session; Chapter 73 of the  
9 Statutes of 2000; Chapter 650 of the Statutes of 2003; Chapter 895  
10 of the Statutes of 2004; and Chapter 677 of the Statutes of 2005).

11 ~~(12)~~

12 (11) Consolidation of Law Enforcement Agency Notification  
13 and Missing Children Reports (CSM 4505; Chapter 1117 of the  
14 Statutes of 1989 and 01-TC-09; Chapter 249 of the Statutes of  
15 1986; and Chapter 832 of the Statutes of 1999).

16 ~~(13)~~

17 (12) Consolidation of Notification to Teachers: Pupils Subject  
18 to Suspension or Expulsion I and II, and Pupil Discipline Records  
19 (00-TC-10 and 00-TC-11; Chapter 345 of the Statutes of 2000).

20 ~~(14)~~

21 (13) County Office of Education Fiscal Accountability Reporting  
22 (97-TC-20; Chapters 917 and 1452 of the Statutes of 1987;  
23 Chapters 1461 and 1462 of the Statutes of 1988; Chapter 1372 of  
24 the Statutes of 1990; Chapter 1213 of the Statutes of 1991; Chapter  
25 323 of the Statutes of 1992; Chapters 923 and 924 of the Statutes  
26 of 1993; Chapters 650 and 1002 of the Statutes of 1994; and  
27 Chapter 525 of the Statutes of 1995).

28 ~~(15)~~

29 (14) Criminal Background Checks (97-TC-16; Chapters 588  
30 and 589 of the Statutes of 1997).

31 ~~(16)~~

32 (15) Criminal Background Checks II (00-TC-05; Chapters 594  
33 and 840 of the Statutes of 1998; and Chapter 78 of the Statutes of  
34 1999).

35 ~~(17)~~

36 (16) Differential Pay and Reemployment (99-TC-02; Chapter  
37 30 of the Statutes of 1998).

38 ~~(18)~~

39 (17) Expulsion of Pupil: Transcript Cost for Appeals (SMAS;  
40 Chapter 1253 of the Statutes of 1975).

- 1     ~~(19)~~  
2     (18) Financial and Compliance Audits (CSM 4498 and CSM  
3 4498-A; Chapter 36 of the Statutes of 1977).  
4     (19) *Graduation Requirements* (CSM 4181; Chapter 498 of the  
5 *Statutes of 1983*).  
6     (20) Habitual Truants (CSM 4487 and CSM 4487-A; Chapter  
7 1184 of the Statutes of 1975).  
8     (21) High School Exit Examination (00-TC-06; Chapter 1 of  
9 the Statutes of 1999, First Extraordinary Session; and Chapter 135  
10 of the Statutes of 1999).  
11     (22) Immunization Records (SB 90-120; Chapter 1176 of the  
12 Statutes of 1977).  
13     (23) Immunization Records—Hepatitis B (98-TC-05; Chapter  
14 325 of the Statutes of 1978; Chapter 435 of the Statutes of 1979;  
15 Chapter 472 of the Statutes of 1982; Chapter 984 of the Statutes  
16 of 1991; Chapter 1300 of the Statutes of 1992; Chapter 1172 of  
17 the Statutes of 1994; Chapters 291 and 415 of the Statutes of 1995;  
18 Chapter 1023 of the Statutes of 1996; and Chapters 855 and 882  
19 of the Statutes of 1997).  
20     (24) Interdistrict Attendance Permits (CSM 4442; Chapters 172  
21 and 742 of the Statutes of 1986; Chapter 853 of the Statutes of  
22 1989; Chapter 10 of the Statutes of 1990; and Chapter 120 of the  
23 Statutes of 1992).  
24     (25) Intradistrict Attendance (CSM 4454; Chapters 161 and 915  
25 of the Statutes of 1993).  
26     (26) Juvenile Court Notices II (CSM 4475; Chapters 1011 and  
27 1423 of the Statutes of 1984; Chapter 1019 of the Statutes of 1994;  
28 and Chapter 71 of the Statutes of 1995).  
29     ~~(27) Mandate Reimbursement Process I and II (CSM 4204,~~  
30 ~~CSM 4485, and 05-TC-05; Chapter 486 of the Statutes of 1975).~~  
31     ~~(28)~~  
32     (27) Notification of Truancy (CSM 4133; Chapter 498 of the  
33 Statutes of 1983; Chapter 1023 of the Statutes of 1994; and Chapter  
34 19 of the Statutes of 1995).  
35     ~~(29) Open Meetings/Brown Act Reform (CSM 4257 and CSM~~  
36 ~~4469; Chapter 641 of the Statutes of 1986; and Chapters 1136,~~  
37 ~~1137, and 1138 of the Statutes of 1993).~~  
38     ~~(30)~~  
39     (28) Physical Performance Tests (96-365-01; Chapter 975 of  
40 the Statutes of 1995).

- 1     ~~(31)~~  
2     (29) Prevailing Wage Rate (01-TC-28; Chapter 1249 of the  
3 Statutes of 1978).  
4     ~~(32)~~  
5     (30) Pupil Health Screenings (CSM 4440; Chapter 1208 of the  
6 Statutes of 1976; Chapter 373 of the Statutes of 1991; and Chapter  
7 750 of the Statutes of 1992).  
8     ~~(33)~~  
9     (31) Pupil Promotion and Retention (98-TC-19; Chapter 100  
10 of the Statutes of 1981; Chapter 1388 of the Statutes of 1982;  
11 Chapter 498 of the Statutes of 1983; Chapter 1263 of the Statutes  
12 of 1990; and Chapters 742 and 743 of the Statutes of 1998).  
13     ~~(34)~~  
14     (32) Pupil Safety Notices (02-TC-13; Chapter 498 of the Statutes  
15 of 1983; Chapter 482 of the Statutes of 1984; Chapter 948 of the  
16 Statutes of 1984; Chapter 196 of the Statutes of 1986; Chapter 332  
17 of the Statutes of 1986; Chapter 445 of the Statutes of 1992;  
18 Chapter 1317 of the Statutes of 1992; Chapter 589 of the Statutes  
19 of 1993; Chapter 1172 of the Statutes of 1994; Chapter 1023 of  
20 the Statutes of 1996; and Chapter 492 of the Statutes of 2000).  
21     ~~(35)~~  
22     (33) Pupil Expulsions (CSM 4455; Chapter 1253 of the Statutes  
23 of 1975; Chapter 965 of the Statutes of 1977; Chapter 668 of the  
24 Statutes of 1978; Chapter 318 of the Statutes of 1982; Chapter 498  
25 of the Statutes of 1983; Chapter 622 of the Statutes of 1984;  
26 Chapter 942 of the Statutes of 1987; Chapter 1231 of the Statutes  
27 of 1990; Chapter 152 of the Statutes of 1992; Chapters 1255, 1256,  
28 and 1257 of the Statutes of 1993; and Chapter 146 of the Statutes  
29 of 1994).  
30     ~~(36)~~  
31     (34) Pupil Expulsion Appeals (CSM 4463; Chapter 1253 of the  
32 Statutes of 1975; Chapter 965 of the Statutes of 1977; Chapter 668  
33 of the Statutes of 1978; and Chapter 498 of the Statutes of 1983).  
34     ~~(37)~~  
35     (35) Pupil Suspensions (CSM 4456; Chapter 965 of the Statutes  
36 of 1977; Chapter 668 of the Statutes of 1978; Chapter 73 of the  
37 Statutes of 1980; Chapter 498 of the Statutes of 1983; Chapter 856  
38 of the Statutes of 1985; and Chapter 134 of the Statutes of 1987).  
39     ~~(38)~~

1 (36) School Accountability Report Cards (97-TC-21, 00-TC-09,  
2 00-TC-13, and 02-TC-32; Chapter 918 of the Statutes of 1997;  
3 Chapter 912 of the Statutes of 1997; Chapter 824 of the Statutes  
4 of 1994; Chapter 1031 of the Statutes of 1993; Chapter 759 of the  
5 Statutes of 1992; and Chapter 1463 of the Statutes of 1989).

6 ~~(39)~~

7 (37) School District Fiscal Accountability Reporting (97-TC-19;  
8 Chapter 100 of the Statutes of 1981; Chapter 185 of the Statutes  
9 of 1985; Chapter 1150 of the Statutes of 1986; Chapters 917 and  
10 1452 of the Statutes of 1987; Chapters 1461 and 1462 of the  
11 Statutes of 1988; Chapter 525 of the Statutes of 1990; Chapter  
12 1213 of the Statutes of 1991; Chapter 323 of the Statutes of 1992;  
13 Chapters 923 and 924 of the Statutes of 1993; Chapters 650 and  
14 1002 of the Statutes of 1994; and Chapter 525 of the Statutes of  
15 1995).

16 ~~(40)~~

17 (38) School District Reorganization (98-TC-24; Chapter 1192  
18 of the Statutes of 1980; and Chapter 1186 of the Statutes of 1994).

19 ~~(41)~~

20 (39) Student Records (02-TC-34; Chapter 593 of the Statutes  
21 of 1989; Chapter 561 of the Statutes of 1993; Chapter 311 of the  
22 Statutes of 1998; and Chapter 67 of the Statutes of 2000).

23 ~~(42)~~

24 (40) The Stull Act (98-TC-25; Chapter 498 of the Statutes of  
25 1983; and Chapter 4 of the Statutes of 1999).

26 ~~(43)~~

27 (41) Threats Against Peace Officers (CSM 96-365-02; Chapter  
28 1249 of the Statutes of 1992; and Chapter 666 of the Statutes of  
29 1995).

30 ~~(e) The Superintendent of Public Instruction shall compile a list~~  
31 ~~of all school districts, charter schools, and county offices of~~  
32 ~~education that received block grant funding in the prior fiscal year~~  
33 ~~pursuant to this section. This list shall include the total amount~~  
34 ~~each school district, charter school, and county office of education~~  
35 ~~received. The Superintendent of Public Instruction shall provide~~  
36 ~~this information to the appropriate fiscal and policy committees~~  
37 ~~of the Legislature, the Controller, the Department of Finance, and~~  
38 ~~the Legislative Analyst Office on or before September 9 of each~~  
39 ~~year.~~

1 (42) *Pupil Expulsions II, Pupil Suspensions II, and Educational*  
 2 *Services Plan for Expelled Pupils (96-358-03, 03A, 98-TC-22,*  
 3 *01-TC-18, 98-TC-23, 97-TC-09; Chapters 972 and 974 of the*  
 4 *Statutes of 1995; Chapters 915, 937, and 1052 of the Statutes of*  
 5 *1996; Chapter 637 of the Statutes of 1997; Chapter 498 of the*  
 6 *Statutes of 1998; Chapter 332 of the Statutes of 1999; Chapter*  
 7 *147 of the Statutes of 2000; and Chapter 116 of the Statutes of*  
 8 *2001).*

9 (f) *Notwithstanding Section 10231.5, on or before November 1*  
 10 *of each fiscal year, the Superintendent of Public Instruction shall*  
 11 *produce a report that indicates the total amount of block grant*  
 12 *funding each school district, county office of education, and charter*  
 13 *school received in that fiscal year pursuant to this section. The*  
 14 *Superintendent of Public Instruction shall provide this report to*  
 15 *the appropriate fiscal and policy committees of the Legislature,*  
 16 *the Controller, the Department of Finance, and the Legislative*  
 17 *Analyst's Office.*

18 SEC. 79. *Section 17581.7 of the Government Code is amended*  
 19 *to read:*

20 ~~17581.7. (a) Commencing with the 2012–13 fiscal year, funds~~  
 21 ~~provided in Item 6870-296-0001 of Section 2.00 of the annual~~  
 22 ~~Budget Act shall be allocated as block grants to community college~~  
 23 ~~districts to support all of the mandated programs described in~~  
 24 ~~subdivision (d).~~

25 ~~(b) (1) Notwithstanding any other law, each fiscal year a~~  
 26 ~~community college district may receive funding for the~~  
 27 ~~performance of mandated activities listed in subdivision (d) either~~  
 28 ~~through the block grant established pursuant to this section or by~~  
 29 ~~claiming reimbursement pursuant to Section 17560. A community~~  
 30 ~~college district that claims reimbursement for any mandated~~  
 31 ~~activities pursuant to Section 17560 for mandated costs incurred~~  
 32 ~~during a fiscal year shall not be eligible for funding pursuant to~~  
 33 ~~this section for the same fiscal year.~~

34 ~~(2) A community college district that elects to receive block~~  
 35 ~~grant funding instead of seeking reimbursement pursuant to Section~~  
 36 ~~17560 shall submit a letter of intent to the Chancellor of the~~  
 37 ~~California Community Colleges on or before September 30 of each~~  
 38 ~~year requesting block grant funding pursuant to this section. The~~  
 39 ~~chancellor shall distribute funding provided pursuant to subdivision~~  
 40 ~~(a) to community colleges pursuant to the rates set forth in Item~~

1 6870-296-0001 of Section 2.00 of the annual Budget Act. Funding  
2 distributed pursuant to this section is in lieu of reimbursement  
3 pursuant to Section 6 of Article XIII B of the California  
4 Constitution for the performance of all activities specified in  
5 subdivision (d) as those activities pertain to community college  
6 districts. A community college district that submits a letter of intent  
7 and receives block grant funding pursuant to this section shall not  
8 also be eligible to submit a claim for reimbursement of costs  
9 incurred for a mandated program set forth in subdivision (d) for  
10 the fiscal year for which the block grant funding is received.

11 17581.7. (a) Funding apportioned pursuant to this section  
12 shall constitute reimbursement pursuant to Section 6 of Article  
13 XIII B of the California Constitution for the performance of any  
14 state mandates included in the statutes and executive orders  
15 identified in subdivision (e).

16 (b) Any community college district may elect to receive block  
17 grant funding pursuant to this section.

18 (c) (1) A community college district that elects to receive block  
19 grant funding pursuant to this section in a given fiscal year shall  
20 submit a letter requesting funding to the Chancellor of the  
21 California Community Colleges on or before August 30 of that  
22 fiscal year.

23 (2) The Chancellor of the California Community Colleges shall  
24 apportion, in the month of November of each year, block grant  
25 funding appropriated in Item 6870-296-0001 of Section 2.00 of  
26 the annual Budget Act to all community college districts that  
27 submitted letters requesting funding in that fiscal year according  
28 to the provisions of that item.

29 (3) A community college district that receives block grant  
30 funding pursuant to this section shall not be eligible to submit  
31 claims to the Controller for reimbursement pursuant to Section  
32 17560 for any costs of any state mandates included in the statutes  
33 and executive orders identified in subdivision (e) incurred in the  
34 same fiscal year during which the community college district  
35 received funding pursuant to this section.

36 ~~(e) Block grant~~

37 (d) All funding provided to community college districts  
38 apportioned pursuant to this section is subject to annual financial  
39 and compliance audits required by Section 84040 of the Education  
40 Code.

1     ~~(d)~~

2     (e) Block grant funding ~~provided~~ *apportioned* pursuant to this  
3 section to individual community college districts is to support all  
4 of the following mandated *is specifically intended to fund the costs*  
5 *of the following* programs:

6     ~~(1) Absentee Ballots (CSM 3713; Chapter 77 of the Statutes of~~  
7 ~~1978; and Chapter 1032 of the Statutes of 2002).~~

8     ~~(2)~~

9     (1) Agency Fee Arrangements (00-TC-17 and 01-TC-14;  
10 Chapter 893 of the Statutes of 2000; and Chapter 805 of the  
11 Statutes of 2001).

12     ~~(3)~~

13     (2) Cal Grants (02-TC-28; Chapter 403 of the Statutes of 2000).

14     ~~(4)~~

15     (3) California State Teachers Retirement System Service Credit  
16 (02-TC-19; Chapter 603 of the Statutes of 1994; Chapters 383,  
17 634, and 680 of the Statutes of 1996; Chapter 838 of the Statutes  
18 of 1997; Chapter 965 of the Statutes of 1998; Chapter 939 of the  
19 Statutes of 1999; and Chapter 1021 of the Statutes of 2000).

20     ~~(5)~~

21     (4) Collective Bargaining (CSM 4425 and 97-TC-08; Chapter  
22 961 of the Statutes of 1975).

23     ~~(6)~~

24     (5) Community College Construction (02-TC-47; Chapter 910  
25 of the Statutes of 1980; Chapters 470 and 891 of the Statutes of  
26 1981; Chapter 973 of the Statutes of 1988; Chapter 1372 of the  
27 Statutes of 1990; Chapter 1038 of the Statutes of 1991; and Chapter  
28 758 of the Statutes of 1995).

29     ~~(7)~~

30     (6) Discrimination Complaint Procedures (02-TC-42 and  
31 portions of 02-TC-25 and 02-TC-31; Chapter 1010 of the Statutes  
32 of 1976; Chapter 470 of the Statutes of 1981; Chapter 1117 of the  
33 Statutes of 1982; Chapter 143 of the Statutes of 1983; Chapter  
34 1371 of the Statutes of 1984; Chapter 973 of the Statutes of 1988;  
35 Chapter 1372 of the Statutes of 1990; Chapter 1198 of the Statutes  
36 of 1991; Chapter 914 of the Statutes of 1998; Chapter 587 of the  
37 Statutes of 1999; and Chapter 1169 of the Statutes of 2002).

38     ~~(8)~~

39     (7) Enrollment Fee Collection and Waivers (99-TC-13 and  
40 00-TC-15).

- 1     ~~(9)~~
- 2     (8) Health Fee Elimination (CSM 4206; Chapter 1 of the Statutes
- 3 of 1984, Second Extraordinary Session).
- 4     ~~(10) Mandate Reimbursement Process I and II (CSM 4204,~~
- 5 ~~CSM 4485, and 05-TC-05; Chapter 486 of the Statutes of 1975).~~
- 6     ~~(11)~~
- 7     (9) Minimum Conditions for State Aid (02-TC-25 and 02-TC-31;
- 8 Chapter 802 of the Statutes of 1975; Chapters 275, 783, 1010, and
- 9 1176 of the Statutes of 1976; Chapters 36 and 967 of the Statutes
- 10 of 1977; Chapters 797 and 977 of the Statutes of 1979; Chapter
- 11 910 of the Statutes of 1980; Chapters 470 and 891 of the Statutes
- 12 of 1981; Chapters 1117 and 1329 of the Statutes of 1982; Chapters
- 13 143 and 537 of the Statutes of 1983; Chapter 1371 of the Statutes
- 14 of 1984; Chapter 1467 of the Statutes of 1986; Chapters 973 and
- 15 1514 of the Statutes of 1988; Chapters 1372 and 1667 of the
- 16 Statutes of 1990; Chapters 1038, 1188, and 1198 of the Statutes
- 17 of 1991; Chapters 493 and 758 of the Statutes of 1995; Chapters
- 18 365, 914, and 1023 of the Statutes of 1998; Chapter 587 of the
- 19 Statutes of 1999; Chapter 187 of the Statutes of 2000; and Chapter
- 20 1169 of the Statutes of 2002).
- 21     ~~(12) Open Meetings/Brown Act Reform (CSM 4257 and CSM~~
- 22 ~~4469; Chapter 641 of the Statutes of 1986; and Chapters 1136,~~
- 23 ~~1137, and 1138 of the Statutes of 1993).~~
- 24     ~~(13)~~
- 25     (10) Prevailing Wage Rate (01-TC-28; Chapter 1249 of the
- 26 Statutes of 1978).
- 27     ~~(14)~~
- 28     (11) Reporting Improper Governmental Activities (02-TC-24;
- 29 Chapter 416 of the Statutes of 2001; and Chapter 81 of the Statutes
- 30 of 2002).
- 31     ~~(15) Sex Offenders: Disclosure by Law Enforcement Officers~~
- 32 ~~(97-TC-15; Chapters 908 and 909 of the Statutes of 1996; Chapters~~
- 33 ~~17, 80, 817, 818, 819, 820, 821, and 822 of the Statutes of 1997;~~
- 34 ~~and Chapters 485, 550, 927, 928, 929, and 930 of the Statutes of~~
- 35 ~~1998).~~
- 36     ~~(16)~~
- 37     (12) Threats Against Peace Officers (CSM 96-365-02; Chapter
- 38 1249 of the Statutes of 1992; and Chapter 666 of the Statutes of
- 39 1995).
- 40     ~~(17)~~

1 (13) Tuition Fee Waivers (02-TC-21; Chapter 36 of the Statutes  
2 of 1977; Chapter 580 of the Statutes of 1980; Chapter 102 of the  
3 Statutes of 1981; Chapter 1070 of the Statutes of 1982; Chapter  
4 753 of the Statutes of 1988; Chapters 424, 900, and 985 of the  
5 Statutes 1989; Chapter 1372 of the Statutes of 1990; Chapter 455  
6 of the Statutes of 1991; Chapter 8 of the Statutes of 1993; Chapter  
7 389 of the Statutes of 1995; Chapter 438 of the Statutes of 1997;  
8 Chapter 952 of the Statutes of 1998; Chapters 571 and 949 of the  
9 Statutes of 2000; Chapter 814 of the Statutes of 2001; and Chapter  
10 450 of the Statutes of 2002).

11 ~~(e) The Chancellor of the California Community Colleges~~

12 ~~(f) Notwithstanding Section 10231.5, on or before November 1~~  
13 ~~of each fiscal year, the Chancellor of the California Community~~  
14 ~~Colleges shall compile a list of all community college districts that~~  
15 ~~received block grant funding in the prior fiscal year pursuant to~~  
16 ~~subdivision (a). This list shall include produce a report that~~  
17 ~~indicates the total amount of block grant funding each community~~  
18 ~~college district received in the current fiscal year pursuant to this~~  
19 ~~section. The chancellor shall provide this information report to~~  
20 ~~the appropriate fiscal and policy committees of the Legislature,~~  
21 ~~the Controller, the Department of Finance, and the Legislative~~  
22 ~~Analyst's Office on or before September 9 of each year.~~

23 *SEC. 80. Section 63049.67 of the Government Code is amended*  
24 *to read:*

25 63049.67. (a) Notwithstanding any other provision of this  
26 division, a financing of emergency apportionments upon the request  
27 of a school district pursuant to Article 2.7 (commencing with  
28 Section 41329.50) of Chapter 3 of Part 24 of Division 3 of Title  
29 2 of the Education Code, is deemed to be in the public interest and  
30 eligible for financing by the bank. Article 3 (commencing with  
31 Section 63040), Article 4 (commencing with Section 63042), and  
32 Article 5 (commencing with Section 63043) do not apply to the  
33 financing provided by the bank in connection with an emergency  
34 apportionment.

35 (b) The bank may issue bonds pursuant to Chapter 5  
36 (commencing with Section 63070) and provide the proceeds to a  
37 school district pursuant to a lease agreement. The proceeds may  
38 be used as an emergency apportionment, to reimburse the interim  
39 emergency apportionment from the General Fund authorized  
40 pursuant to subdivision (b) of Section 41329.52 of the Education

1 Code, or to refund bonds previously issued under this section.  
2 Bond proceeds may also be used to fund necessary reserves,  
3 capitalized interest, credit enhancement costs, and costs of issuance.

4 (c) Bonds issued under this article are not deemed to constitute  
5 a debt or liability of the state or of any political subdivision of the  
6 state, other than a limited obligation of the bank, or a pledge of  
7 the faith and credit of the state or of any political subdivision. All  
8 bonds issued under this article shall contain on the face of the  
9 bonds a statement to the same effect.

10 (d) Any fund or account established in connection with the  
11 bonds shall be established outside of the centralized treasury  
12 system. Notwithstanding any other law, the bank shall select the  
13 financing team and the trustee for the bonds, and the trustee shall  
14 be a corporation or banking association authorized to exercise  
15 corporate trust powers.

16 (e) Pursuant to Section 41329.55 of the Education Code, a school  
17 district other than the Compton Community College District shall  
18 instruct the Controller to repay the lease from moneys in the State  
19 School Fund *and the Education Protection Account* designated  
20 for apportionment to the school district. Pursuant to Section  
21 41329.55 *of the Education Code*, if the school district is the  
22 Compton Community College District, the Controller shall be  
23 instructed to repay the lease from moneys in Section B of the State  
24 School Fund. Any amounts necessary to make this repayment shall  
25 be drawn from the total statewide funding available for community  
26 college apportionment consisting of funds in Section B of the State  
27 School Fund. Thereafter the Controller shall transfer to Section B  
28 of the State School Fund, either in a single or multiple transfers,  
29 an amount equal to the total repayment, which amount shall be  
30 transferred from the amount designated for apportionment to the  
31 Compton Community College District from the State School Fund.  
32 If these transfers from the district prove inadequate to repay any  
33 repayments for any reason, the Compton Community College  
34 District is required to use any revenue sources available to it for  
35 transfer and repayment purposes.

36 (f) Notwithstanding any other law, as long as any bonds issued  
37 pursuant to this section are outstanding, the following requirements  
38 apply:

39 (1) The school district for which the bonds were issued is not  
40 eligible to be a debtor in a case under Chapter 9 of the United

1 States Bankruptcy Code, as it may be amended from time to time,  
2 and no governmental officer or organization is or may be  
3 empowered to authorize the school district to be a debtor under  
4 that chapter.

5 (2) It is the intent of the Legislature that the Legislature should  
6 not in the future abolish the Compton Community College District  
7 or take any action that would prevent the Compton Community  
8 College from entering into or performing binding agreements or  
9 invalidate any prior binding agreements of the Compton  
10 Community College District, where invalidation may have a  
11 material adverse effect on the bonds issued pursuant to this section.

12 (3) The Compton Community College District shall not be  
13 reorganized or merged with another community college district  
14 unless all of the following apply:

15 (A) The successor district becomes by operation of law the  
16 owner of all property previously owned by the Compton  
17 Community College District.

18 (B) Any agreement entered into by the Compton Community  
19 College District in connection with bonds issued pursuant to this  
20 section are assumed by the successor district.

21 (C) The apportionment authorized by subdivision (e) remains  
22 in effect.

23 (D) Receipt by the bank of an opinion of bond counsel that the  
24 bonds issued for the Compton Community College District will  
25 remain tax exempt following the reorganization or merger.

26 (g) Nothing in this section limits the authority of the Legislature  
27 to abolish the Compton Community College District when bonds  
28 issued for that district are no longer outstanding. Further, the  
29 Legislature may provide for the redemption or defeasance of the  
30 bonds at any time so that no bonds are outstanding. If the  
31 Legislature provides for the redemption or defeasance of the bonds  
32 issued for the Compton Community College District in order to  
33 abolish that district, it is the intent of the Legislature that the funds  
34 required for the redemption or defeasance should be appropriated  
35 from Section B of the State School Fund.

36 (h) The bank may enter into contracts or agreements with banks,  
37 insurers, or other financial institutions or parties that it determines  
38 are necessary or desirable to improve the security and marketability  
39 of, or to manage interest rates or other risks associated with, the  
40 bonds issued pursuant to this section. The bank may pledge

1 apportionments made by the Controller directly to the bond trustee  
2 pursuant to Section 41329.55 of the Education Code as security  
3 for repayment of any obligation owed to a bank, insurer, or other  
4 financial institution pursuant to this subdivision.

5 *SEC. 81. Section 63049.68 of the Government Code is amended*  
6 *to read:*

7 63049.68. The State of California pledges that (a) the state will  
8 not alter the directive to the Controller to make apportionments to  
9 the bond trustee of moneys in the State School Fund *and the*  
10 *Education Protection Account* from that set forth in Section  
11 41329.55 of the Education Code, and (b) the state will not amend  
12 or repeal subdivision (f) of Section 63049.67, in each case in any  
13 manner that would materially impair the security or other interests  
14 of holders of any bonds issued pursuant to this article. The bank  
15 is authorized to include this pledge in the bonds, or other  
16 documents entered into in connection with the bonds, as a covenant  
17 for the benefit of the bondholders.

18 *SEC. 82. Section 10 of Chapter 325 of the Statutes of 2012 is*  
19 *repealed.*

20 ~~SEC. 10. The Inglewood Unified School District shall enter~~  
21 ~~into bank financing with the California Infrastructure and Economic~~  
22 ~~Development Bank pursuant to the bank's powers under the~~  
23 ~~Bergeson-Peace Infrastructure and Economic Development Bank~~  
24 ~~Act as set forth in Division 1 (commencing with Section 63000)~~  
25 ~~of Title 6.7 of the Government Code and Sections 41329.52 and~~  
26 ~~41329.55 of the Education Code, upon terms the bank, in its~~  
27 ~~discretion, deems necessary or appropriate for purposes of~~  
28 ~~financing or refinancing the emergency apportionment, including~~  
29 ~~a repayment to the General Fund of the amount advanced pursuant~~  
30 ~~to Section 8 of this act. In addition to the financing or refinancing~~  
31 ~~of the emergency apportionment, the bank financing made pursuant~~  
32 ~~to this section may include funds necessary for reserves, capitalized~~  
33 ~~interest, credit enhancements, and costs of issuance. In addition~~  
34 ~~to the amount advanced pursuant to Section 8 of this act, the school~~  
35 ~~district may augment the emergency apportionment or loan with~~  
36 ~~an additional twenty-six million dollars (\$26,000,000) of bank~~  
37 ~~financing in order to increase the emergency apportionment or~~  
38 ~~loan to a total of no more than fifty-five million dollars~~  
39 ~~(\$55,000,000) as the principal financing amount plus the amount~~  
40 ~~of funds necessary for reserves, capitalized interests, credit~~

1 ~~enhancements, and costs of issuance associated with each bank~~  
2 ~~financing and, as a result, increase the amount of the bank~~  
3 ~~financing. If a bank financing has been made, the Inglewood~~  
4 ~~Unified School District may prepay its bank financing obligations~~  
5 ~~in accordance with the terms of the bank financing documents.~~

6 *SEC. 83. (a) Notwithstanding any other law, the Inglewood*  
7 *Unified School District, through the State Department of*  
8 *Education, may request cashflow loans from the General Fund*  
9 *for a total of up to fifty-five million dollars (\$55,000,000) for*  
10 *emergency operational purposes.*

11 *(b) Unless otherwise specified in this section, the terms and*  
12 *conditions of any General Fund cashflow loan provided pursuant*  
13 *to this section shall be subject to approval by the Director of*  
14 *Finance and shall be consistent with the terms and conditions of*  
15 *the General Fund emergency apportionment issued pursuant to*  
16 *Chapter 325 of the Statutes of 2012. Notwithstanding the interest*  
17 *rates specified in the terms and conditions of the General Fund*  
18 *loan issued pursuant to Chapter 325 of the Statutes of 2012, the*  
19 *interest on these loans shall be charged at the annual rate of return*  
20 *of the Pooled Money Investment Account, plus an additional 2*  
21 *percent.*

22 *(c) Once a General Fund cashflow loan is approved pursuant*  
23 *to this section, and upon the order of the Director of Finance, the*  
24 *Controller shall draw warrants against General Fund cash to the*  
25 *Inglewood Unified School District to provide a cashflow loan.*

26 *(d) Upon approval of a General Fund cashflow loan pursuant*  
27 *to this section, a repayment schedule shall be determined by the*  
28 *Department of Finance. If a required payment is not made within*  
29 *60 days after a scheduled date, upon order of the Department of*  
30 *Finance, the Controller shall pay the defaulted General Fund*  
31 *cashflow loan repayment by withholding that amount from the*  
32 *next available payment that would otherwise be made to the county*  
33 *treasurer on behalf of the school district pursuant to Section 14041*  
34 *of the Education Code.*

35 *(e) The Department of Finance shall notify the Legislature*  
36 *within 15 days of authorizing a General Fund cashflow loan*  
37 *pursuant to this section.*

38 *(f) A cashflow loan from the General Fund authorized by this*  
39 *section does not constitute budgetary expenditures. A cashflow*

1 loan, and the repayment of a cashflow loan, made under this  
2 section shall not affect the General Fund reserve.

3 (g) Issuance of a General Fund cashflow loan authorized  
4 pursuant to this section shall require the Inglewood Unified School  
5 District to abide by all provisions associated with the issuance of  
6 the emergency loan specified in Chapter 325 of the Statutes of  
7 2012, including those cited in Article 2 (commencing with Section  
8 41320) and Article 2.5 (commencing with Section 41325) of  
9 Chapter 3 of Part 24 of Division 3 of Title 2 of the Education Code.

10 (h) As a condition of requesting a General Fund cashflow loan  
11 pursuant to this section, the Inglewood Unified School District  
12 shall repay the twenty-nine million dollar (\$29,000,000) General  
13 Fund loan issued pursuant to Chapter 325 of the Statutes of 2012  
14 from the proceeds of the school district's initial request for a  
15 General Fund cashflow loan.

16 SEC. 84. Of the amount allocated in Schedule (1) of Item  
17 6110-161-0001 of Section 2.00 of the Budget Act of 2011, eight  
18 million nine hundred fifty-four thousand dollars (\$8,954,000) is  
19 provided to fully fund the 2008–09 fiscal year maintenance of  
20 effort and thirty-six million six hundred sixty-four thousand dollars  
21 (\$36,664,000) is provided to fully fund the 2009–10 fiscal year  
22 maintenance of effort in the special education program.

23 SEC. 85. (a) (1) The sum of one billion two hundred fifty  
24 million dollars (\$1,250,000,000) is hereby appropriated from the  
25 General Fund to the Superintendent of Public Instruction for  
26 transfer to Section A of the State School Fund. The sum of six  
27 hundred twenty-five million dollars (\$625,000,000) shall be  
28 transferred in July 2013 and the sum of six hundred twenty-five  
29 million dollars (\$625,000,000) shall be transferred in August 2013.

30 (2) It is the intent of the Legislature that school districts, county  
31 offices of education, charter schools, and the state special schools  
32 use funds allocated pursuant to subdivision (b) to support the  
33 integration of academic content standards in instruction adopted  
34 pursuant to Sections 60605.8, 60605.85, 60605.10, 60605.11, and  
35 60811.3 of the Education Code, for kindergarten and grades 1 to  
36 12, inclusive, for purposes of establishing high-quality instructional  
37 programs for all pupils.

38 (b) The Superintendent of Public Instruction shall apportion  
39 funds to school districts, county offices of education, charter

1 schools, and the state special schools using an equal rate per pupil  
2 based on prior year enrollment.

3 (c) A school district, county office of education, charter school,  
4 or state special school may encumber funds apportioned pursuant  
5 to this section at any time during the 2013–14 or 2014–15 fiscal  
6 year.

7 (d) A school district, county office of education, charter school,  
8 or state special school shall expend funds allocated pursuant to  
9 this section for any of the following purposes:

10 (1) Professional development for teachers, administrators, and  
11 paraprofessional educators or other classified employees involved  
12 in the direct instruction of pupils that is aligned to the academic  
13 content standards adopted pursuant to Sections 60605.8, 60605.11,  
14 60605.85, and 60811.3 of the Education Code.

15 (2) Instructional materials aligned to the academic content  
16 standards adopted pursuant to Sections 60605.8, 60605.85,  
17 60605.11, and 60811.3 of the Education Code, including, but not  
18 limited to, supplemental instructional materials as provided in  
19 Sections 60605.86, 60605.87, and 60605.88 of the Education Code.

20 (3) Integration of these academic content standards through  
21 technology-based instruction for purposes of improving the  
22 academic performance of pupils, including, but not necessarily  
23 limited to, expenditures necessary to support the administration  
24 of computer-based assessments and provide high-speed,  
25 high-bandwidth Internet connectivity for the purpose of  
26 administration of computer-based assessments.

27 (e) As a condition of receiving funds allocated pursuant to this  
28 section, a school district, county office of education, charter school,  
29 or state special school shall do both of the following:

30 (1) Develop and adopt a plan delineating how funds allocated  
31 pursuant to this section shall be spent. The plan shall be explained  
32 in a public meeting of the governing board of the school district,  
33 county board of education, or governing body of the charter school,  
34 before its adoption in a subsequent public meeting.

35 (2) On or before July 1, 2015, report detailed expenditure  
36 information to the State Department of Education, including, but  
37 not limited to, specific purchases made and the number of teachers,  
38 administrators, or paraprofessional educators that received  
39 professional development. The State department of Education shall  
40 determine the format for this report.

1 (f) *The State Department of Education shall summarize the*  
2 *information reported pursuant to paragraph (2) of subdivision (e)*  
3 *and shall submit the summary to the appropriate budget*  
4 *subcommittees and policy committees of the Legislature and to*  
5 *the Department of Finance on or before January 1, 2016.*

6 (g) *Funding apportioned pursuant to this section is specifically*  
7 *intended to fund, and shall first be used to offset, the costs of any*  
8 *new programs or higher levels of service associated with*  
9 *implementation of the academic content standards adopted by the*  
10 *State Board of Education pursuant to Sections 60605.8, 60605.85,*  
11 *60605.10, 60605.11, and 60811.3 of the Education Code, including*  
12 *those required by this section or Article 3.8 (commencing with*  
13 *Section 52060) of Chapter 6.1 of Part 28 of Division 4 of Title 2*  
14 *of the Education Code.*

15 (h) *Funding apportioned pursuant to this section is subject to*  
16 *the annual audits required by Section 41020 of the Education*  
17 *Code.*

18 (i) *For purposes of making the computations required by Section*  
19 *8 of Article XVI of the California Constitution, of the funds*  
20 *appropriated by this section:*

21 (1) *One billion dollars (\$1,000,000,000) shall be deemed to be*  
22 *“General Fund revenues appropriated for school districts,” as*  
23 *defined in subdivision (c) of Section 41202 of the Education Code,*  
24 *for the 2012–13 fiscal year, and included within the “total*  
25 *allocations to school districts and community college districts*  
26 *from General Fund proceeds of taxes appropriated pursuant to*  
27 *Article XIII B,” as defined in subdivision (e) of Section 41202 of*  
28 *the Education Code, for the 2012–13 fiscal year.*

29 (2) *Two hundred fifty million dollars (\$250,000,000) shall be*  
30 *deemed to be “General Fund revenues appropriated for school*  
31 *districts,” as defined in subdivision (c) of Section 41202 of the*  
32 *Education Code, for the 2013–14 fiscal year, and included within*  
33 *the “total allocations to school districts and community college*  
34 *districts from General Fund proceeds of taxes appropriated*  
35 *pursuant to Article XIII B,” as defined in subdivision (e) of Section*  
36 *41202 of the Education Code, for the 2013–14 fiscal year.*

37 SEC. 86. (a) *The sum of two hundred fifty million dollars*  
38 *(\$250,000,000) is hereby appropriated from the General Fund to*  
39 *the Superintendent of Public Instruction for transfer to Section A*

1 of the State School Fund for the establishment of the California  
2 Career Pathways Trust.

3 (b) The funds appropriated by this section shall be apportioned  
4 to school districts, county superintendents of schools, charter  
5 schools, and community colleges in the form of one-time  
6 competitive grants. Funds shall be available for expenditure in  
7 the 2013–14 fiscal year to the 2015–16 fiscal year, inclusive.

8 (c) Grants shall be available for K-14 career pathways  
9 programs that accomplish any of the following:

10 (1) Fund specialists in work-based learning, as defined in  
11 Section 51760.1 of the Education Code, to convene, connect,  
12 measure, or broker efforts to establish or enhance a locally defined  
13 career pathways program that connects school districts, county  
14 superintendents of schools, charter schools, and community  
15 colleges with business entities.

16 (2) Establish regional collaborative relationships and  
17 partnerships with business entities, community organizations, and  
18 local institutions of postsecondary education.

19 (3) Develop and integrate standards-based academics with a  
20 career-relevant, sequenced curriculum following industry-themed  
21 pathways that are aligned to high-need, high-growth, or emerging  
22 regional economic sectors.

23 (4) Provide articulated pathways to postsecondary education  
24 aligned with regional economies.

25 (5) Leverage and build on any of the following:

26 (A) Existing structures, requirements, and resources of the Carl  
27 D. Perkins, California Partnership Academies, and regional  
28 occupational programs, including staff knowledge, community  
29 relationships, and course development.

30 (B) Matching resources and in-kind contributions from public,  
31 private, and philanthropic sources.

32 (C) The California Community Colleges Economic and  
33 Workforce Development Program and its sector strategies and  
34 deputy sector navigators.

35 (D) Participation in the local California Community Colleges  
36 Skills Panel.

37 (d) As a condition of receipt of funds, a grant recipient under  
38 this section shall identify and set aside funding within its own  
39 budget and obtain funding commitments from program partners  
40 sufficient to support the ongoing costs of the program.

1 (e) *The Superintendent of Public Instruction shall consult with*  
2 *the Chancellor of the California Community Colleges and*  
3 *organizations representing businesses in considering grant*  
4 *applications under this section.*

5 (f) *No later than December 1, 2016, grant recipients and the*  
6 *Superintendent of Public Instruction shall report to the Department*  
7 *of Finance and to relevant policy and fiscal committees of the*  
8 *Legislature outcome measures, which shall include, but not*  
9 *necessarily be limited to, all of the following:*

- 10 (1) *Pupil and student academic performance indicators.*  
11 (2) *The number and rate of school or program graduates.*  
12 (3) *Attainment of certificates, transfer readiness, and*  
13 *postsecondary enrollment.*  
14 (4) *Transitions to appropriate employment, apprenticeships, or*  
15 *job training.*

16 SEC. 87. (a) *On or before June 30, 2013, an amount to be*  
17 *determined by the Director of Finance shall be appropriated from*  
18 *the General Fund to the Board of Governors of the California*  
19 *Community Colleges in augmentation of Schedule (1) of Item*  
20 *6870-101-0001 of Section 2.00 of the Budget Act of 2012.*

21 (b) *The funds appropriated in subdivision (a) shall only be*  
22 *available to the extent that revenues distributed to community*  
23 *colleges pursuant to subparagraph (A) of paragraph (3) of*  
24 *subdivision (e) of Section 36 of Article XIII of the California*  
25 *Constitution are less than the estimated amount reflected in the*  
26 *Budget Act of 2012, as determined by the Director of Finance.*

27 (c) *On or before June 30, 2013, the Director of Finance shall*  
28 *determine if the revenues distributed to community college districts*  
29 *pursuant to subparagraph (A) of paragraph (3) of subdivision (e)*  
30 *Section 36 of Article XIII of the California Constitution exceed the*  
31 *estimated amount reflected in the Budget Act of 2012, and shall*  
32 *reduce Schedule (1) of Item 6870-101-0001 of Section 2.00 of the*  
33 *Budget Act of 2012 by that same amount.*

34 (d) *The Director of Finance shall notify the Chairperson of the*  
35 *Joint Legislative Budget Committee, or his or her designee, of his*  
36 *or her intent to notify the Controller of the necessity to release*  
37 *funds appropriated in subdivision (a) or to make the reduction*  
38 *pursuant to subdivision (c), and the amount needed to address the*  
39 *Education Protection Account shortfall determined pursuant to*  
40 *subdivision (b) or the amount of the reduction made pursuant to*

1 subdivision (c). The Controller shall make the funds available not  
2 sooner than five days after this notification and the Office of the  
3 Chancellor of the California Community Colleges shall work with  
4 the Controller to allocate these funds to community college districts  
5 as soon as practicable.

6 (e) For purposes of making the computations required by Section  
7 8 of Article XVI of the California Constitution, the appropriations  
8 made by subdivision (a) shall be deemed to be “General Fund  
9 revenues appropriated for community college districts,” as defined  
10 in subdivision (d) of Section 41202 of the Education Code, for the  
11 2012–13 fiscal year; and included within the “total allocations to  
12 school districts and community college districts from General  
13 Fund proceeds of taxes appropriated pursuant to Article XIII B,”  
14 as defined in subdivision (e) of Section 41202 of the Education  
15 Code, for the 2012–13 fiscal year.

16 SEC. 88. (a) On or before June 30, 2014, an amount to be  
17 determined by the Director of Finance shall be appropriated from  
18 the General Fund to the Board of Governors of the California  
19 Community Colleges in augmentation of Schedule (1) of Item  
20 6870-101-0001 of Section 2.00 of the Budget Act of 2013.

21 (b) The funds appropriated in subdivision (a) shall only be  
22 available to the extent that revenues distributed to community  
23 colleges pursuant to subparagraph (A) of paragraph (3) of  
24 subdivision (e) of Section 36 of Article XIII of the California  
25 Constitution are less than the estimated amount reflected in the  
26 Budget Act of 2013, as determined by the Director of Finance.

27 (c) On or before June 30, 2014, the Director of Finance shall  
28 determine if the revenues distributed to community college districts  
29 pursuant to subparagraph (A) of paragraph (3) of subdivision (e)  
30 of Section 36 of Article XIII of the California Constitution exceed  
31 the estimated amount reflected in the Budget Act of 2013 and shall  
32 reduce Schedule (1) of Item 6870-101-0001 of Section 2.00 of the  
33 Budget Act of 2013 by that same amount.

34 (d) The Director of Finance shall notify the Chairperson of the  
35 Joint Legislative Budget Committee, or his or her designee, of his  
36 or her intent to notify the Controller of the necessity to release  
37 funds appropriated in subdivision (a) or to make the reduction  
38 pursuant to subdivision (c), and the amount needed to address the  
39 Education Protection Account shortfall determined pursuant to  
40 subdivision (b) or the amount of the reduction made pursuant to

1 *subdivision (c). The Controller shall make the funds available not*  
2 *sooner than five days after this notification and the Office of the*  
3 *Chancellor of the California Community Colleges shall work with*  
4 *the Controller to allocate these funds to community college districts*  
5 *as soon as practicable.*

6 *(e) For purposes of making the computations required by Section*  
7 *8 of Article XVI of the California Constitution, the appropriations*  
8 *made by subdivision (a) shall be deemed to be “General Fund*  
9 *revenues appropriated for community college districts,” as defined*  
10 *in subdivision (d) of Section 41202 of the Education Code, for the*  
11 *2013–14 fiscal year; and included within the “total allocations to*  
12 *school districts and community college districts from General*  
13 *Fund proceeds of taxes appropriated pursuant to Article XIII B,”*  
14 *as defined in subdivision (e) of Section 41202 of the Education*  
15 *Code, for the 2013–14 fiscal year.*

16 *SEC. 89. (a) On or before June 30, 2014, an amount to be*  
17 *determined by the Director of Finance shall be appropriated from*  
18 *the General Fund to the Board of Governors of the California*  
19 *Community Colleges in augmentation of Schedule (1) of Item*  
20 *6870-101-0001 of Section 2.00 of the Budget Act of 2013.*

21 *(b) The funds appropriated in subdivision (a) shall only be*  
22 *available to the extent that revenues distributed to community*  
23 *colleges pursuant to Sections 34177, 34179.5, 34179.6, and 34188*  
24 *of the Health and Safety Code are less than the estimated amount*  
25 *reflected in the Budget Act of 2013, as determined by the Director*  
26 *of Finance.*

27 *(c) On or before June 30, 2014, the Director of Finance shall*  
28 *determine if the revenues distributed to community college districts*  
29 *pursuant to Sections 34177, 34179.5, 34179.6, and 34188 of the*  
30 *Health and Safety Code exceed the estimated amount reflected in*  
31 *the Budget Act of 2013 and shall reduce Schedule (1) of Item*  
32 *6870-101-0001 of Section 2.00 of the Budget Act of 2013 by the*  
33 *amount of that excess.*

34 *(d) In making the determinations pursuant to subdivisions (b)*  
35 *and (c), the Director of Finance shall consider any other local*  
36 *property tax revenues and student fee revenues collected in excess*  
37 *or in deficit of the estimated amounts reflected in the Budget Act*  
38 *of 2013.*

39 *(e) The Director of Finance shall notify the Chairperson of the*  
40 *Joint Legislative Budget Committee, or his or her designee, of his*

1 or her intent to notify the Controller of the necessity to release  
2 funds appropriated in subdivision (a) or to make the reduction  
3 pursuant to subdivision (c), and the amount needed to address the  
4 property tax shortfall determined pursuant to subdivision (b) or  
5 the amount of the reduction made pursuant to subdivision (c). The  
6 Controller shall make the funds available not sooner than five  
7 days after this notification and the Office of the Chancellor of the  
8 California Community Colleges shall work with the Controller to  
9 allocate these funds to community college districts as soon as  
10 practicable.

11 (f) For purposes of making the computations required by Section  
12 8 of Article XVI of the California Constitution, the appropriations  
13 made by subdivision (a) shall be deemed to be “General Fund  
14 revenues appropriated for community college districts,” as defined  
15 in subdivision (d) of Section 41202 of the Education Code, for the  
16 2013–14 fiscal year, and included within the “total allocations to  
17 school districts and community college districts from General  
18 Fund proceeds of taxes appropriated pursuant to Article XIII B,”  
19 as defined in subdivision (e) of Section 41202 of the Education  
20 Code, for the 2013–14 fiscal year.

21 SEC. 90. (a) On or before June 30, 2014, an amount to be  
22 determined by the Director of Finance shall be appropriated from  
23 the General Fund to the Superintendent of Public Instruction in  
24 augmentation of Schedule (1) of Item 6110-161-0001 of Section  
25 2.00 of the Budget Act of 2013.

26 (b) The funds appropriated in subdivision (a) shall only be  
27 available to the extent that revenues distributed to local  
28 educational agencies for special education programs pursuant to  
29 Sections 34177, 34179.5, 34179.6, and 34188 of the Health and  
30 Safety Code are less than the estimated amount reflected in the  
31 Budget Act of 2013, as determined by the Director of Finance.

32 (c) On or before June 30, 2014, the Director of Finance shall  
33 determine if the revenues distributed to local educational agencies  
34 for special education programs pursuant to Sections 34177,  
35 34179.5, 34179.6, and 34188 of the Health and Safety Code exceed  
36 the estimated amount reflected in the Budget Act of 2013 and shall  
37 reduce Schedule (1) of Item 6110-161-0001 of Section 2.00 of the  
38 Budget Act of 2013 by the amount of that excess.

39 (d) In making the determinations pursuant to subdivisions (b)  
40 and (c), the Director of Finance shall consider any other local

1 *property tax revenues collected in excess or in deficit of the*  
2 *estimated amounts reflected in the Budget Act of 2013.*

3 *(e) The Director of Finance shall notify the Chairperson of the*  
4 *Joint Legislative Budget Committee, or his or her designee, of his*  
5 *or her intent to notify the Controller of the necessity to release*  
6 *funds appropriated in subdivision (a) or to make the reduction*  
7 *pursuant to subdivision (c), and the amount needed to address the*  
8 *property tax shortfall determined pursuant to subdivision (b) or*  
9 *the amount of the reduction made pursuant to subdivision (c). The*  
10 *Controller shall make the funds available not sooner than five*  
11 *days after this notification and the State Department of Education*  
12 *shall work with the Controller to allocate these funds to local*  
13 *educational agencies as soon as practicable.*

14 *(f) For purposes of making the computations required by Section*  
15 *8 of Article XVI of the California Constitution, the appropriations*  
16 *made by subdivision (a) shall be deemed to be “General Fund*  
17 *revenues appropriated for school districts,” as defined in*  
18 *subdivision (c) of Section 41202 of the Education Code, for the*  
19 *2013–14 fiscal year, and included within the “total allocations to*  
20 *school districts and community college districts from General*  
21 *Fund proceeds of taxes appropriated pursuant to Article XIII B,”*  
22 *as defined in subdivision (e) of Section 41202 of the Education*  
23 *Code, for the 2013–14 fiscal year.*

24 *SEC. 91. Notwithstanding any other law, the funds*  
25 *appropriated pursuant to Items 6110-158-0001 and 6110-161-0001*  
26 *of Section 2.00 of the Budget Act of 2013 shall be encumbered by*  
27 *July 31, 2014. This one-month extension of encumbrance authority*  
28 *is provided due to the effect of the deferral of the June 2014*  
29 *principal apportionment on the budget items specified in this*  
30 *section. It is the intent of the Legislature that, by extending the*  
31 *encumbrance authority for the funds identified in this section to*  
32 *July 31, 2014, the funds will be treated in a manner consistent*  
33 *with Section 1.80 of the Budget Act of 2013.*

34 *SEC. 92. The Legislature finds and declares that a special law,*  
35 *as set forth in Section 83 of this act, is necessary and that a general*  
36 *law cannot be made applicable within the meaning of Section 16*  
37 *of Article IV of the California Constitution because of the unique*  
38 *circumstances relating to the fiscal emergency in the Inglewood*  
39 *Unified School District.*

1     *SEC. 93. If the Commission on State Mandates determines that*  
2 *this act contains costs mandated by the state, reimbursement to*  
3 *local agencies and school districts for those costs shall be made*  
4 *pursuant to Part 7 (commencing with Section 17500) of Division*  
5 *4 of Title 2 of the Government Code.*

6     *SEC. 94. This act is a bill providing for appropriations related*  
7 *to the Budget Bill within the meaning of subdivision (e) of Section*  
8 *12 of Article IV of the California Constitution, has been identified*  
9 *as related to the budget in the Budget Bill, and shall take effect*  
10 *immediately.*

11     ~~SECTION 1. It is the intent of the Legislature to enact statutory~~  
12 ~~changes relating to the Budget Act of 2013.~~