

Senate Bill No. 971

CHAPTER 923

An act to amend Sections 17199.4, 17592.74, 32282, 35292.5, 41003.3, 47650, 47651, 48660, and 60851 of, to repeal Sections 315.5, 316.5, 317, 1982.3, 1982.5, 1983.5, 17584.3, 17586, 17588, 17592, 32285, 46306, 47613.2, 47634.1, 48660.2, 48664, and 60510.1 of, to amend and renumber the heading of Article 2 (commencing with Section 60510) and Article 4 (commencing with Section 60530) of Chapter 4 of Part 33 of Division 4 of Title 2 of, to repeal Article 11 (commencing with Section 1830) of Chapter 6 of Part 2 of Division 1 of Title 1 of, to repeal Article 1 (commencing with Section 41500), Article 2 (commencing with Section 41505), Article 3 (commencing with Section 41510), Article 4 (commencing with Section 41520), Article 5 (commencing with Section 41530), and Article 7 (commencing with Section 41570) of Chapter 3.2 of Part 24 of Division 3 of Title 2 of, to repeal Article 13 (commencing with Section 41920) of Chapter 5 of Part 24 of Division 3 of Title 2 of, to repeal Article 5 (commencing with Section 44520), Article 6 (commencing with Section 44560), Article 8 (commencing with Section 44580), Article 10 (commencing with Section 44630), and Article 10.6 (commencing with Section 44650) of Chapter 3 of Part 25 of Division 3 of Title 2 of, to repeal Article 4.5 (commencing with Section 52378) and Article 8 (commencing with Section 52480) of Chapter 9 of Part 28 of Division 4 of Title 2 of, to repeal Article 4 (commencing with Section 52750) of Chapter 11 of Part 28 of Division 4 of Title 2 of, to repeal Article 1 (commencing with Section 52800) of Chapter 12 of Part 28 of Division 4 of Title 2 of, to repeal Article 7 (commencing with Section 60350) of Chapter 2 of Part 33 of Division 4 of Title 2 of, to repeal Article 1 (commencing with Section 60500) and Article 3 (commencing with Section 60520) of Chapter 4 of Part 33 of Division 4 of Title 2 of, to repeal Chapter 13 (commencing with Section 11200) of Part 7 of Division 1 of Title 1 of, to repeal Chapter 2.5 (commencing with Section 37300) of Part 22 of Division 3 of Title 2 of, to repeal Chapter 3.3 (commencing with Section 44700), Chapter 3.33 (commencing with Section 44720), Chapter 3.36 (commencing with Section 44735), and Chapter 3.45 (commencing with Section 44755) of Part 25 of Division 3 of Title 2 of, to repeal Chapter 6.8 (commencing with Section 52080), Chapter 6.9 (commencing with Section 52100), Chapter 6.10 (commencing with Section 52120), Chapter 8 (commencing with Section 52200), Chapter 8.5 (commencing with Section 52250), and Chapter 8.6 (commencing with Section 52270) of Part 28 of Division 4 of Title 2 of, to repeal Chapter 2 (commencing with Section 54100) of Part 29 of Division 4 of Title 2 of, and to repeal Chapter 5 (commencing with Section 58700) of Part 31 of Division 4 of Title 2 of, the Education Code, relating to school finance.

[Approved by Governor September 30, 2014. Filed with
Secretary of State September 30, 2014.]

LEGISLATIVE COUNSEL'S DIGEST

SB 971, Huff. School finance: categorical programs.

(1) Existing law establishes the public school system in this state, and, among other things, provides for the establishment of county superintendents of schools, school districts, and charter schools throughout the state and for the provision of instruction at the public elementary and secondary schools these local educational agencies maintain. Existing law establishes a public school financing system that requires state funding for county superintendents of schools, school districts, and charter schools to be calculated pursuant to a local control funding formula, as specified.

Existing law establishes various education programs under which funding is provided for specific educational purposes, which are commonly known as categorical programs, including, among many others, programs for community-based English tutoring, teacher training, and class size reduction. Existing law further authorizes local educational agencies to expend, for any local educational purpose, the funds previously required to be spent on specified categorical education programs.

This bill would repeal many provisions requiring, authorizing, or prescribing the elements of certain categorical education programs. The bill would make conforming changes, correct cross-references, and make other nonsubstantive changes.

(2) This bill would incorporate additional changes to Section 17199.4 of the Education Code proposed by AB 1979 that would become operative if this bill and AB 1979 are both enacted on or before January 1, 2015, and this bill is enacted last.

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

SECTION 1. Section 315.5 of the Education Code is repealed.

SEC. 2. Section 316.5 of the Education Code is repealed.

SEC. 3. Section 317 of the Education Code is repealed.

SEC. 4. Article 11 (commencing with Section 1830) of Chapter 6 of Part 2 of Division 1 of Title 1 of the Education Code is repealed.

SEC. 5. Section 1982.3 of the Education Code is repealed.

SEC. 6. Section 1982.5 of the Education Code is repealed.

SEC. 7. Section 1983.5 of the Education Code is repealed.

SEC. 8. Chapter 13 (commencing with Section 11200) of Part 7 of Division 1 of Title 1 of the Education Code is repealed.

SEC. 9. Section 17199.4 of the Education Code is amended to read:

17199.4. (a) Notwithstanding any other law, any participating party, in connection with securing financing or refinancing of projects, or working capital pursuant to this chapter, may elect to guarantee or provide for

payment of the bonds and related obligations in accordance with the following conditions:

(1) If a participating party adopts a resolution by a majority vote of its board to participate under this section, it shall provide notice to the Controller of that election. The notice shall include a schedule for the repayment of principal and interest on the bonds, and any other costs necessary or incidental to financing pursuant to this chapter, and identify a trustee appointed by the participating party or the authority for purposes of this section. If payment of all or a portion of the principal and interest on the bond is secured by a letter of credit or other instrument of direct payment, the notice may provide for reimbursements to the provider of the instrument in lieu of payment of that portion of the principal and interest of the bonds. The notice shall be provided not later than the date of issuance of the bonds or 60 days before the next payment, whichever date is later. The participating party shall update the notice at least annually if there is a change in the required payment for any reason, including, but not limited to, providing for new or increased costs necessary or incidental to the financing.

(2) If, for any reason, the participating party will not make a payment at the time the payment is required, the participating party shall notify the trustee of that fact and of the amount of the deficiency. If the trustee receives this notice from the participating party, or does not receive any payment by the date that payment becomes due, the trustee shall immediately communicate that information to the Controller.

(3) Upon receipt of the notice required by paragraph (2), the Controller shall make an apportionment to the trustee on the date shown in the schedule in the amount of the deficiency for the purpose of making the required payment. The Controller shall make that apportionment only from moneys designated for apportionment to a participating party, provided that such moneys are from one or both of the following:

(A) Any funding apportioned for purposes of revenue limits or the local control funding formula pursuant to Section 42238.02, as implemented by Section 42238.03, to a school district or county office of education without regard to the specific funding source of the apportionment.

(B) Any funding apportioned for purposes of the charter school block grant or the local control funding formula pursuant to Section 42238.02, as implemented by Section 42238.03, to a charter school without regard to the specific funding source of the apportionment.

(4) As an alternative to the procedures set forth in paragraphs (2) and (3), the participating party may provide a transfer schedule in its notice to the Controller of its election to participate under this section. The transfer schedule shall set forth amounts to be transferred to the trustee and the date for the transfers. The Controller, subject to the limitation in paragraph (3), shall make apportionments to the trustee of those amounts on the specified date for the purpose of making those transfers. The authority may require a participating party to proceed under this subdivision.

(b) (1) The amount apportioned for a participating party pursuant to this section shall be deemed to be an allocation to the participating party and

shall be included in the computation of allocation, limit, entitlement, or apportionment for the participating party.

(2) The participating party and its creditors do not have a claim to funds apportioned or anticipated to be apportioned to the trustee by the Controller pursuant to paragraph (3) and (4) of subdivision (a), or to the funds apportioned to by the Controller to the trustee under any other provision of this section.

(c) (1) Participating parties that elect to participate under this section shall apply to the authority. The authority shall consider each of the following priorities in making funds available:

(A) First priority shall be given to school districts, charter schools, or county offices of education that apply for funding for instructional classroom space.

(B) Second priority shall be given to school districts, charter schools, or county offices of education that apply for funding of modernization of instructional classroom space.

(C) Third priority shall be given to all other eligible costs, as defined in Section 17173.

(2) The authority shall prioritize applications at appropriate intervals.

(3) A school district electing to participate under this section that has applied for revenue bond moneys for purposes of joint venture school facilities construction projects, pursuant to Article 5 (commencing with Section 17060) of Chapter 12, shall not be subject to the priorities set forth in paragraph (1).

(d) This section shall not be construed to make the State of California liable for any payments within the meaning of Section 1 of Article XVI of the California Constitution or otherwise, except as expressly provided in this section.

(e) A school district that has a qualified or negative certification pursuant to Section 42131, or a county office of education that has a qualified or negative certification pursuant to Section 1240, may not participate under this section.

SEC. 9.5. Section 17199.4 of the Education Code is amended to read:

17199.4. (a) Notwithstanding any other law, any participating party, in connection with securing financing or refinancing of projects, or working capital pursuant to this chapter, may, in accordance with this section, elect to provide for funding, in whole or in part, one or more of the following:

(1) Payments on authority bonds.

(2) Payments under credit enhancement or liquidity support agreements in connection with authority bonds.

(3) Amounts pledged or assigned under one or more pledges or assignments to pay authority bonds or obligations under these credit enhancement or liquidity support agreements.

(4) Payments to fund reserves available to pay any of the payments described in paragraphs (1), (2), and (3), exclusively until paid.

(5) Fees and charges contemplated by the instruments of the authority, trustees, tender agents, remarketing agents, credit enhancement and liquidity support providers, and service providers.

(6) Any other costs necessary or incidental to any financing or refinancing conducted under this chapter.

(b) The payments made pursuant to subdivision (a) may be in connection with a financing or refinancing benefiting the participating party itself, one or more other participating parties, or any combination thereof.

(c) To participate under this section, the participating party shall do all of the following:

(1) Elect to participate by an action of its governing board taken in compliance with the rules of that board.

(2) Provide written notice to the Controller, no later than the date of the issuance of the bonds or 60 days before the next payment, whichever is later, of all of the following:

(A) Its election to participate.

(B) A schedule of the payments subject to that election.

(C) The payee or payees of those payments, or the trustee or agent on their behalf to receive those payments.

(i) Payment delivery instructions, which may be by wire transfer or other method approved by the Controller.

(ii) If the method of payment delivery is wire transfer, the participating party shall complete and submit the appropriate authorization form as prescribed by the Controller.

(d) The participating party may amend, supplement, or restate the notice required pursuant to paragraph (2) of subdivision (c) for any reason, including, but not necessarily limited to, providing for new or increased payments. The participating party shall certify in the notice and in any amendment, supplement, or restatement of the notice that each and every payment reflected in the schedule is a payment described in subdivision (a) and the amounts scheduled do not exceed the actual or reasonably estimated payment obligations to be funded pursuant to this section. The participating party shall also represent in the notice that it is not submitting the notice for the purpose of accelerating a participating party's receipt of its apportionments. Nothing in this section prohibits transfer by the recipient of an apportionment under this section to the participating party submitting the notice of the excess apportionment above the amount needed to fund actual payments where the excess resulted from erroneous estimation of scheduled payments or otherwise.

(e) Upon receipt of the notice required by paragraph (2) of subdivision (c), the Controller shall make an apportionment to the indicated recipient on the date, or during the period, shown in the schedule in accordance with the following:

(1) If the participating party requests transfers in full as scheduled, in the amount of the scheduled transfer or such lesser amount as is available from the sources indicated in subdivision (f).

(2) If the participating party does not request transfers in full as scheduled, in the amount of the anticipated deficiency for the purpose of making the required payment indicated in a written request of the participating party to the Controller and in the amount of the actual shortfall in payment indicated in a written request of the recipient or the participating party to the Controller or the lesser amount that is available from the sources indicated in subdivision (f).

(3) To the extent funds available for an apportionment are insufficient to pay the amount set forth in a schedule in any period, the Controller shall, if and as requested in the notice, reschedule the payment of all or a portion of the deficiency to a subsequent period.

(4) In making apportionments under this section, the Controller may rely conclusively and without liability on any notice or request delivered under this section, including any delivered prior to enactment of the act that adds this paragraph. The Controller may make, but is not obligated to make, apportionments not reflected on a notice or on an amended, supplemented, or restated notice delivered under this section that the Controller receives less than 20 days prior to when the apportionment would otherwise be required.

(f) The Controller shall make an apportionment under this section only from moneys designated for apportionment to the participating party delivering the notice, and only from one or both of the following:

(1) Any funding apportioned for purposes of revenue limits or the local control funding formula pursuant to Section 42238.02, as implemented by Section 42238.03, to a school district or county office of education without regard to the specific funding source of the apportionment.

(2) Any funding apportioned for purposes of the charter school block grant or the local control funding formula pursuant to Section 42238.02, as implemented by Section 42238.03, to a charter school without regard to the specific funding source of the apportionment.

(g) (1) The amount apportioned for a participating party pursuant to this section shall be deemed to be an allocation to the participating party, and shall be included in the computation of allocation, limit, entitlement, or apportionment for the participating party.

(2) The participating party and its creditors do not have a claim to funds apportioned or anticipated to be apportioned by the Controller pursuant to this section.

(h) (1) The authority may require participation under this section under the terms of any financing or refinancing under this chapter to provide for one or more of the payments described in paragraphs (1), (2), (3), and (4) of subdivision (a). The authority may impose limits on new participation under this section. The authority may require participating parties to apply to the authority for participation. If the authority limits participation under this section, the authority shall consider each of the following priorities in making participation available:

(A) First priority shall be given to participating parties that apply for funding for instructional classroom space under this chapter.

(B) Second priority shall be given to participating parties that apply for funding of modernization of instructional classroom space under this chapter.

(C) Third priority shall be given to participating parties that apply for funding under this chapter for any other eligible costs, as defined in Section 17173.

(2) The authority shall prioritize applications at appropriate intervals.

(3) A school district electing to participate under this section that has applied for revenue bond moneys for purposes of joint venture school facilities construction projects, pursuant to Article 5 (commencing with Section 17060) of Chapter 12, shall not be subject to the priorities set forth in paragraph (1).

(i) This section shall not be construed to make the State of California liable for any payments within the meaning of Section 1 of Article XVI of the California Constitution.

(j) A school district that has a qualified or negative certification pursuant to Section 42131, or a county office of education that has a qualified or negative certification pursuant to Section 1240, may not participate under this section.

(k) This section does not obligate the State of California to make available the sources of apportionment under subdivision (f) in any amount or at any time or, except as provided in this section, to fund any payment described in this section. The addition of this subdivision is intended solely to clarify existing law.

SEC. 10. Section 17584.3 of the Education Code is repealed.

SEC. 11. Section 17586 of the Education Code is repealed.

SEC. 12. Section 17588 of the Education Code is repealed.

SEC. 13. Section 17592 of the Education Code is repealed.

SEC. 14. Section 17592.74 of the Education Code is amended to read:

17592.74. Notwithstanding any other law, the funds provided to school districts from the School Facilities Emergency Repair Account pursuant to this article for the purpose of emergency repair grants shall not be deposited into a school district deferred maintenance fund for purposes established pursuant to Section 17582.

SEC. 15. Section 32282 of the Education Code is amended to read:

32282. (a) The comprehensive school safety plan shall include, but not be limited to, both of the following:

(1) Assessing the current status of school crime committed on school campuses and at school-related functions.

(2) Identifying appropriate strategies and programs that will provide or maintain a high level of school safety and address the school's procedures for complying with existing laws related to school safety, which shall include the development of all of the following:

(A) Child abuse reporting procedures consistent with Article 2.5 (commencing with Section 11164) of Chapter 2 of Title 1 of Part 4 of the Penal Code.

(B) Disaster procedures, routine and emergency, including adaptations for pupils with disabilities in accordance with the federal Americans with

Disabilities Act of 1990 (42 U.S.C. Sec. 12101 et seq.). The disaster procedures shall also include, but not be limited to, both of the following:

(i) Establishing an earthquake emergency procedure system in every public school building having an occupant capacity of 50 or more pupils or more than one classroom. A school district or county office of education may work with the Office of Emergency Services and the Seismic Safety Commission to develop and establish the earthquake emergency procedure system. The system shall include, but not be limited to, all of the following:

(I) A school building disaster plan, ready for implementation at any time, for maintaining the safety and care of pupils and staff.

(II) A drop procedure whereby each pupil and staff member takes cover under a table or desk, dropping to his or her knees, with the head protected by the arms, and the back to the windows. A drop procedure practice shall be held at least once each school quarter in elementary schools and at least once a semester in secondary schools.

(III) Protective measures to be taken before, during, and following an earthquake.

(IV) A program to ensure that pupils and both the certificated and classified staff are aware of, and properly trained in, the earthquake emergency procedure system.

(ii) Establishing a procedure to allow a public agency, including the American Red Cross, to use school buildings, grounds, and equipment for mass care and welfare shelters during disasters or other emergencies affecting the public health and welfare. The school district or county office of education shall cooperate with the public agency in furnishing and maintaining the services as the school district or county office of education may deem necessary to meet the needs of the community.

(C) Policies pursuant to subdivision (d) of Section 48915 for pupils who committed an act listed in subdivision (c) of Section 48915 and other school-designated serious acts which would lead to suspension, expulsion, or mandatory expulsion recommendations pursuant to Article 1 (commencing with Section 48900) of Chapter 6 of Part 27 of Division 4 of Title 2.

(D) Procedures to notify teachers of dangerous pupils pursuant to Section 49079.

(E) A discrimination and harassment policy consistent with the prohibition against discrimination contained in Chapter 2 (commencing with Section 200) of Part 1.

(F) The provisions of any schoolwide dress code, pursuant to Section 35183, that prohibits pupils from wearing “gang-related apparel,” if the school has adopted that type of a dress code. For those purposes, the comprehensive school safety plan shall define “gang-related apparel.” The definition shall be limited to apparel that, if worn or displayed on a school campus, reasonably could be determined to threaten the health and safety of the school environment. Any schoolwide dress code established pursuant to this section and Section 35183 shall be enforced on the school campus and at any school-sponsored activity by the principal of the school or the person designated by the principal. For purposes of this paragraph,

“gang-related apparel” shall not be considered a protected form of speech pursuant to Section 48950.

(G) Procedures for safe ingress and egress of pupils, parents, and school employees to and from school.

(H) A safe and orderly environment conducive to learning at the school.

(I) The rules and procedures on school discipline adopted pursuant to Sections 35291 and 35291.5.

(b) It is the intent of the Legislature that schools develop comprehensive school safety plans using existing resources, including the materials and services of the partnership, pursuant to this chapter. It is also the intent of the Legislature that schools use the handbook developed and distributed by the School/Law Enforcement Partnership Program entitled “Safe Schools: A Planning Guide for Action” in conjunction with developing their plan for school safety.

(c) Each schoolsite council or school safety planning committee in developing and updating a comprehensive school safety plan shall, where practical, consult, cooperate, and coordinate with other schoolsite councils or school safety planning committees.

(d) The comprehensive school safety plan may be evaluated and amended, as needed, by the school safety planning committee, but shall be evaluated at least once a year, to ensure that the comprehensive school safety plan is properly implemented. An updated file of all safety-related plans and materials shall be readily available for inspection by the public.

(e) As comprehensive school safety plans are reviewed and updated, the Legislature encourages all plans, to the extent that resources are available, to include policies and procedures aimed at the prevention of bullying.

(f) The comprehensive school safety plan, as written and updated by the schoolsite council or school safety planning committee, shall be submitted for approval under subdivision (a) of Section 32288.

SEC. 16. Section 32285 of the Education Code is repealed.

SEC. 17. Section 35292.5 of the Education Code is amended to read:

35292.5. (a) Every public and private school maintaining any combination of classes from kindergarten to grade 12, inclusive, shall comply with all of the following:

(1) Every restroom shall at all times be maintained and cleaned regularly, fully operational and stocked at all times with toilet paper, soap, and paper towels or functional hand dryers.

(2) The school shall keep all restrooms open during school hours when pupils are not in classes, and shall keep a sufficient number of restrooms open during school hours when pupils are in classes.

(b) Notwithstanding subdivision (a), a school may temporarily close a restroom as necessary for pupil safety or as necessary to repair the facility.

SEC. 18. Chapter 2.5 (commencing with Section 37300) of Part 22 of Division 3 of Title 2 of the Education Code is repealed.

SEC. 19. Section 41003.3 of the Education Code is amended to read:

41003.3. (a) Consistent with the provisions of Article 4 (commencing with Section 17455) of Chapter 4 of Part 10.5 of Division 1 of Title 1, from

July 1, 2008, to June 30, 2010, inclusive, the Dixon Unified School District may sell surplus real property previously used as the school farm on Sievers Road, located five miles outside of the city and which is not feasible for future school construction, together with any personal property located thereon, purchased entirely with local funds. The proceeds of the sale shall be deposited into the general fund of the school district in order to reestablish a 3-percent reserve. The remainder of the proceeds from the sale of the property that are not used to reestablish the 3-percent reserve shall be deposited into the capital outlay fund of the school district.

(b) In order to expend funds pursuant to subdivision (a), the school district shall meet all of the following conditions:

(1) The school district shall not be eligible for new construction funding for 10 years from the date that funds are deposited into the general fund of the school district pursuant to subdivision (a), except that the school district may apply for new construction funds if both of the following conditions are met:

(A) At least five years have elapsed since the date upon which the sale was executed pursuant to subdivision (a).

(B) The State Allocation Board determines that the school district has demonstrated enrollment growth or a need for additional sites or building construction that the school district could not have easily anticipated at the time the sale was executed pursuant to subdivision (a).

(2) The governing board of the school district shall complete a governance training program focusing on fiscal management provided by the County Office Fiscal Crisis and Management Assistance Team.

(3) Any remaining funds from the sale of the property shall be exhausted for capital outlay purposes before a request for modernization funding.

(4) Notwithstanding any other law, the Dixon Unified School District, from July 1, 2008, to June 30, 2010, inclusive, shall not be eligible to receive financial hardship assistance pursuant to Article 8 (commencing with Section 17075.10) of Chapter 12.5 of Part 10 of Division 1 of Title 1.

(5) The governing board of the school district shall certify all of the following to the State Allocation Board:

(A) The school district has no major deferred maintenance requirements that cannot be completed with existing capital outlay resources.

(B) The sale of the real property pursuant to this section does not violate any provisions of a local general obligation bond act.

(C) The real property sold pursuant to this section is not suitable to meet any projected school construction need for the next 10 years.

(6) Before exercising the authority granted by this section, the governing board of the school district, at a regularly scheduled meeting, shall present a plan for expending one-time resources pursuant to this section. The plan shall identify the source and use of the funds, and describe how the proposed use of funds, in combination with budget reductions, will address the school district's deficit spending and restore the ongoing fiscal solvency of the school district.

(7) No later than 10 years after the date of the sale of surplus property pursuant to subdivision (a), the school district shall deposit into its capital outlay fund an amount equal to the amount of the proceeds from the sale of the property that is deposited into the school district's general fund as needed to establish the 3-percent reserve in accordance with subdivision (a).

(c) This section shall remain in effect only until January 1, 2021, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2021, deletes or extends that date.

SEC. 20. Article 1 (commencing with Section 41500) of Chapter 3.2 of Part 24 of Division 3 of Title 2 of the Education Code is repealed.

SEC. 21. Article 2 (commencing with Section 41505) of Chapter 3.2 of Part 24 of Division 3 of Title 2 of the Education Code is repealed.

SEC. 22. Article 3 (commencing with Section 41510) of Chapter 3.2 of Part 24 of Division 3 of Title 2 of the Education Code is repealed.

SEC. 23. Article 4 (commencing with Section 41520) of Chapter 3.2 of Part 24 of Division 3 of Title 2 of the Education Code is repealed.

SEC. 24. Article 5 (commencing with Section 41530) of Chapter 3.2 of Part 24 of Division 3 of Title 2 of the Education Code is repealed.

SEC. 25. Article 7 (commencing with Section 41570) of Chapter 3.2 of Part 24 of Division 3 of Title 2 of the Education Code is repealed.

SEC. 26. Article 13 (commencing with Section 41920) of Chapter 5 of Part 24 of Division 3 of Title 2 of the Education Code is repealed.

SEC. 27. Article 5 (commencing with Section 44520) of Chapter 3 of Part 25 of Division 3 of Title 2 of the Education Code is repealed.

SEC. 28. Article 6 (commencing with Section 44560) of Chapter 3 of Part 25 of Division 3 of Title 2 of the Education Code is repealed.

SEC. 29. Article 8 (commencing with Section 44580) of Chapter 3 of Part 25 of Division 3 of Title 2 of the Education Code is repealed.

SEC. 30. Article 10 (commencing with Section 44630) of Chapter 3 of Part 25 of Division 3 of Title 2 of the Education Code is repealed.

SEC. 31. Article 10.6 (commencing with Section 44650) of Chapter 3 of Part 25 of Division 3 of Title 2 of the Education Code is repealed.

SEC. 32. Chapter 3.3 (commencing with Section 44700) of Part 25 of Division 3 of Title 2 of the Education Code is repealed.

SEC. 33. Chapter 3.33 (commencing with Section 44720) of Part 25 of Division 3 of Title 2 of the Education Code is repealed.

SEC. 34. Chapter 3.36 (commencing with Section 44735) of Part 25 of Division 3 of Title 2 of the Education Code is repealed.

SEC. 35. Chapter 3.45 (commencing with Section 44755) of Part 25 of Division 3 of Title 2 of the Education Code is repealed.

SEC. 36. Section 46306 of the Education Code is repealed.

SEC. 37. Section 47613.2 of the Education Code is repealed.

SEC. 38. Section 47634.1 of the Education Code, as added by Section 24 of Chapter 2 of the Fourth Extraordinary Session of the Statutes of 2009, is repealed.

SEC. 39. Section 47650 of the Education Code is amended to read:

47650. A charter school shall be deemed to be a school district for purposes of determining the manner in which warrants are drawn on the State School Fund pursuant to Section 14041. For purposes of Section 14041, a charter school's "total amount certified" means the state aid portion of the charter school's total local control funding formula allocation pursuant to Section 42238.02, as implemented by Section 42238.03.

SEC. 40. Section 47651 of the Education Code is amended to read:

47651. (a) A charter school may receive the state aid portion of the charter school's total local control funding formula allocation pursuant to Section 42238.02, as implemented by Section 42238.03, directly or through the local educational agency that either grants its charter or was designated by the state board.

(1) In the case of a charter school that elects to receive its funding directly, the warrant shall be drawn in favor of the county superintendent of schools of the county in which the local educational agency that granted the charter or was designated by the state board as the oversight agency pursuant to paragraph (1) of subdivision (k) of Section 47605 is located, for deposit to the appropriate funds or accounts of the charter school in the county treasury. The county superintendent of schools is authorized to establish appropriate funds or accounts in the county treasury for each charter school.

(2) In the case of a charter school that does not elect to receive its funding directly pursuant to this section, the warrant shall be drawn in favor of the county superintendent of schools of the county in which the local educational agency that granted the charter is located or was designated the oversight agency by the state board pursuant to paragraph (1) of subdivision (k) of Section 47605, for deposit to the appropriate funds or accounts of the local educational agency.

(3) In the case of a charter school, the charter of which was granted by the state board, but for which the state board has not delegated oversight responsibilities pursuant to paragraph (1) of subdivision (k) of Section 47605, the warrant shall be drawn in favor of the county superintendent of schools in the county where the local educational agency is located that initially denied the charter that was later granted by the state board. The county superintendent of schools is authorized to establish appropriate funds or accounts in the county treasury for each charter school.

(b) On or before June 1 of each year, a charter school electing to receive its funding directly shall so notify the county superintendent of schools of the county in which the local educational agency that granted the charter is located or, in the case of charters for which the state board has designated an oversight agency pursuant to paragraph (1) of subdivision (k) of Section 47605, the county superintendent of schools of the county in which the designated oversight agency is located. An election to receive funding directly shall apply to all funding that the charter school is eligible to receive including, but not limited to, the local control funding formula allocation pursuant to Section 42238.02, as implemented by Section 42238.03, other state and federal categorical aid, and lottery funds.

SEC. 41. Section 48660 of the Education Code is amended to read:

48660. (a) The governing board of a school district may establish one or more community day schools for pupils who meet one or more of the conditions described in subdivision (b) of Section 48662. A community day school may serve pupils in any of kindergarten and grades 1 to 6, inclusive, or any of grades 7 to 12, inclusive, or the same or lesser included range of grades as may be found in an individual middle or junior high school operated by the school district. If a school district is organized as a school district that serves kindergarten and grades 1 to 8, inclusive, but no higher grades, the governing board of the school district may establish a community day school for any kindergarten and grades 1 to 8, inclusive, upon a two-thirds vote of the governing board of the school district. It is the intent of the Legislature, that to the extent possible, the governing board of a school district operating a community day school for any of kindergarten and grades 1 to 8, inclusive, separate younger pupils from older pupils within that community day school.

(b) The average daily attendance of a community day school shall be determined by dividing the total number of days of attendance in all full school months, by a divisor of 70 in the first period of each fiscal year, by a divisor of 135 in the second period of each fiscal year, and by a divisor of 180 at the annual time of each fiscal year.

SEC. 42. Section 48660.2 of the Education Code is repealed.

SEC. 43. Section 48664 of the Education Code is repealed.

SEC. 44. Chapter 6.8 (commencing with Section 52080) of Part 28 of Division 4 of Title 2 of the Education Code is repealed.

SEC. 45. Chapter 6.9 (commencing with Section 52100) of Part 28 of Division 4 of Title 2 of the Education Code is repealed.

SEC. 46. Chapter 6.10 (commencing with Section 52120) of Part 28 of Division 4 of Title 2 of the Education Code is repealed.

SEC. 47. Chapter 8 (commencing with Section 52200) of Part 28 of Division 4 of Title 2 of the Education Code is repealed.

SEC. 48. Chapter 8.5 (commencing with Section 52250) of Part 28 of Division 4 of Title 2 of the Education Code is repealed.

SEC. 49. Chapter 8.6 (commencing with Section 52270) of Part 28 of Division 4 of Title 2 of the Education Code is repealed.

SEC. 50. Article 4.5 (commencing with Section 52378) of Chapter 9 of Part 28 of Division 4 of Title 2 of the Education Code is repealed.

SEC. 51. Article 8 (commencing with Section 52480) of Chapter 9 of Part 28 of Division 4 of Title 2 of the Education Code is repealed.

SEC. 52. Article 4 (commencing with Section 52750) of Chapter 11 of Part 28 of Division 4 of Title 2 of the Education Code is repealed.

SEC. 53. Article 1 (commencing with Section 52800) of Chapter 12 of Part 28 of Division 4 of Title 2 of the Education Code is repealed.

SEC. 54. Chapter 2 (commencing with Section 54100) of Part 29 of Division 4 of Title 2 of the Education Code is repealed.

SEC. 55. Chapter 5 (commencing with Section 58700) of Part 31 of Division 4 of Title 2 of the Education Code is repealed.

SEC. 56. Article 7 (commencing with Section 60350) of Chapter 2 of Part 33 of Division 4 of Title 2 of the Education Code is repealed.

SEC. 57. Article 1 (commencing with Section 60500) of Chapter 4 of Part 33 of Division 4 of Title 2 of the Education Code is repealed.

SEC. 58. The heading of Article 2 (commencing with Section 60510) of Chapter 4 of Part 33 of Division 4 of Title 2 of the Education Code is amended and renumbered to read:

Article 1. Donation or Sale

SEC. 59. Section 60510.1 of the Education Code is repealed.

SEC. 60. Article 3 (commencing with Section 60520) of Chapter 4 of Part 33 of Division 4 of Title 2 of the Education Code is repealed.

SEC. 61. The heading of Article 4 (commencing with Section 60530) of Chapter 4 of Part 33 of Division 4 of Title 2 of the Education Code is amended and renumbered to read:

Article 2. Destruction

SEC. 62. Section 60851 of the Education Code is amended to read:

60851. (a) Commencing with the 2003–04 school year and each school year thereafter, each pupil completing grade 12 shall successfully pass the high school exit examination as a condition of receiving a diploma of graduation or a condition of graduation from high school. Funding for the administration of the high school exit examination shall be provided for in the annual Budget Act. The Superintendent shall apportion funds appropriated for this purpose to enable school districts to meet the requirements of this subdivision and subdivisions (b), (c), and (d). The state board shall establish the amount of funding to be apportioned per test administered, based on a review of the cost per test.

(b) Each pupil shall take the high school exit examination in grade 10 beginning in the 2001–02 school year and may take the examination during each subsequent administration, until each section of the examination has been passed.

(c) (1) At the parent or guardian's request, a school principal shall submit a request for a waiver of the requirement to successfully pass the high school exit examination to the governing board of the school district for a pupil with a disability who has taken the high school exit examination with modifications that alter what the test measures and has received the equivalent of a passing score on one or both subject matter parts of the high school exit examination. A governing board of a school district may waive the requirement to successfully pass one or both subject matter parts of the high school exit examination for a pupil with a disability if the principal certifies to the governing board of the school district that the pupil has all of the following:

(A) An individualized education program adopted pursuant to the federal Individuals with Disabilities Education Act (20 U.S.C. Sec. 1400 et seq.) or a plan adopted pursuant to Section 504 of the federal Rehabilitation Act of 1973 (29 U.S.C. Sec. 794(a)) in place that requires the accommodations or modifications to be provided to the pupil when taking the high school exit examination.

(B) Sufficient high school level coursework either satisfactorily completed or in progress in a high school level curriculum sufficient to have attained the skills and knowledge otherwise needed to pass the high school exit examination.

(C) An individual score report for the pupil showing that the pupil has received the equivalent of a passing score on the high school exit examination while using a modification that fundamentally alters what the high school exit examination measures as determined by the state board.

(2) A school district shall report to the state board, in a manner and by a date determined by the Superintendent, the number and characteristics of waivers reviewed, granted, and denied under this subdivision and any additional information determined to be in furtherance of this subdivision.

(d) The high school exit examination shall be offered in each public school and state special school that provides instruction in grades 10, 11, or 12, on the dates designated by the Superintendent. A high school exit examination may not be administered on any date other than those designated by the Superintendent as examination days or makeup days.

(e) The results of the high school exit examination shall be provided to each pupil taking the examination within eight weeks of the examination administration and in time for the pupil to take any section of the examination not passed at the next administration. A pupil shall take again only those parts of the high school exit examination he or she has not previously passed and may not retake any portion of the high school exit examination that he or she has previously passed.

(f) Supplemental instruction shall be provided to any pupil who does not demonstrate sufficient progress toward passing the high school exit examination. To the extent that school districts have aligned their curriculum with the state academic content standards adopted by the state board, the curriculum for supplemental instruction shall reflect those standards and shall be designed to assist the pupils to succeed on the high school exit examination. This chapter does not require the provision of supplemental services using resources that are not regularly available to a school or school district, including summer school instruction. In no event shall any action taken as a result of this subdivision cause or require reimbursement by the Commission on State Mandates. Sufficient progress shall be determined on the basis of either of the following:

(1) The results of the assessments administered pursuant to Article 4 (commencing with Section 60640) of Chapter 5 and the minimum levels of proficiency recommended by the state board pursuant to Section 60648.

(2) The grades of the pupil and other indicators of academic achievement designated by the school district.

SEC. 63. Section 9.5 of this bill incorporates amendments to Section 17199.4 of the Education Code proposed by both this bill and Assembly Bill 1979. It shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2015, (2) each bill amends Section 17199.4 of the Education Code, and (3) this bill is enacted after Assembly Bill 1979, in which case Section 9 of this bill shall not become operative.

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