

ASSEMBLY BILL

No. 1428

Introduced by Assembly Member Gray

February 27, 2015

An act to amend Section 8880.5 of the Government Code, relating to education allocations: local lottery education accounts.

LEGISLATIVE COUNSEL'S DIGEST

AB 1428, as introduced, Gray. California State Lottery: education finance.

(1) The California State Lottery Act of 1984, enacted by initiative, authorizes a California State Lottery and provides for its operation and administration by the California State Lottery Commission and the Director of the California State Lottery, with certain limitations. The act requires each school district and county superintendent of schools, as condition of receiving any moneys from the California State Lottery, to establish a separate account for the receipt and expenditure of those moneys, which is required to be clearly identified as a lottery education account.

This bill would require the commission to collect, and make publicly available on the commission's Internet Web site, information related to those separate lottery education accounts of each school district and county superintendent of schools.

(2) The California State Lottery Act of 1984, an initiative measure, specifies that none of its provisions may be changed except to further its purpose by a bill passed by a $\frac{2}{3}$ vote of each house of the Legislature and signed by the Governor.

This bill would declare that its provisions further the purposes of the act.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

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

- 1 SECTION 1. Section 8880.5 of the Government Code is
2 amended to read:
3 8880.5. Allocations for education:
4 The California State Lottery Education Fund is created within
5 the State Treasury, and is continuously appropriated for carrying
6 out the purposes of this chapter. The Controller shall draw warrants
7 on this fund and distribute them quarterly in the following manner,
8 provided that the payments specified in subdivisions (a) to (g),
9 inclusive, shall be equal per capita amounts.
10 (a) (1) Payments shall be made directly to public school
11 districts, including county superintendents of schools, serving
12 kindergarten and grades 1 to 12, inclusive, or any part thereof, on
13 the basis of an equal amount for each unit of average daily
14 attendance, as defined by law and adjusted pursuant to subdivision
15 (I).
16 (2) For purposes of this paragraph, in each of the 2008–09,
17 2009–10, 2010–11, 2011–12, 2012–13, 2013–14, and 2014–15
18 fiscal years, the number of units of average daily attendance in
19 each of those fiscal years for programs for public school districts,
20 including county superintendents of schools, serving kindergarten
21 and grades 1 to 12, inclusive, shall include the same amount of
22 average daily attendance for classes for adults and regional
23 occupational centers and programs used in the calculation made
24 pursuant to this subdivision for the 2007–08 fiscal year.
25 (b) Payments shall also be made directly to public school
26 districts serving community colleges, on the basis of an equal
27 amount for each unit of average daily attendance, as defined by
28 law.
29 (c) Payments shall also be made directly to the Board of Trustees
30 of the California State University on the basis of an amount for
31 each unit of equivalent full-time enrollment. Funds received by
32 the trustees shall be deposited in and expended from the California
33 State University Lottery Education Fund, which is hereby created,
34 or, at the discretion of the trustees, deposited in local trust accounts

1 in accordance with subdivision (j) of Section 89721 of the
2 Education Code.

3 (d) Payments shall also be made directly to the Regents of the
4 University of California on the basis of an amount for each unit
5 of equivalent full-time enrollment.

6 (e) Payments shall also be made directly to the Board of
7 Directors of the Hastings College of the Law on the basis of an
8 amount for each unit of equivalent full-time enrollment.

9 (f) Payments shall also be made directly to the Department of
10 the Youth Authority for educational programs serving kindergarten
11 and grades 1 to 12, inclusive, or any part thereof, on the basis of
12 an equal amount for each unit of average daily attendance, as
13 defined by law.

14 (g) Payments shall also be made directly to the two California
15 Schools for the Deaf, the California School for the Blind, and the
16 three Diagnostic Schools for Neurologically Handicapped Children,
17 on the basis of an amount for each unit of equivalent full-time
18 enrollment.

19 (h) Payments shall also be made directly to the State Department
20 of Developmental Services and the State Department of State
21 Hospitals for clients with developmental or mental disabilities who
22 are enrolled in state hospital education programs, including
23 developmental centers, on the basis of an equal amount for each
24 unit of average daily attendance, as defined by law.

25 (i) No Budget Act or other statutory provision shall direct that
26 payments for public education made pursuant to this chapter be
27 used for purposes and programs (including workload adjustments
28 and maintenance of the level of service) authorized by Chapters
29 498, 565, and 1302 of the Statutes of 1983, Chapter 97 or 258 of
30 the Statutes of 1984, or Chapter 1 of the Statutes of the 1983–84
31 Second Extraordinary Session.

32 (j) School districts and other agencies receiving funds distributed
33 pursuant to this chapter may at their option utilize funds allocated
34 by this chapter to provide additional funds for those purposes and
35 programs prescribed by subdivision (i) for the purpose of
36 enrichment or expansion.

37 (k) (1) As a condition of receiving any moneys pursuant to
38 subdivision (a) or (b), each school district and county
39 superintendent of schools shall establish a separate account for the

1 receipt and expenditure of those moneys, which account shall be
2 clearly identified as a lottery education account.

3 *(2) The commission shall collect, and make publicly available*
4 *on the commission's Internet Web site, information related to the*
5 *separate lottery education accounts required pursuant to*
6 *paragraph (1).*

7 *(l)* Commencing with the 1998–99 fiscal year, and each year
8 thereafter, for purposes of subdivision (a), average daily attendance
9 shall be increased by the statewide average rate of excused
10 absences for the 1996–97 fiscal year as determined pursuant to the
11 provisions of Chapter 855 of the Statutes of 1997. The statewide
12 average excused absence rate, and the corresponding adjustment
13 factor required for the operation of this subdivision, shall be
14 certified to the Controller by the Superintendent of Public
15 Instruction.

16 *(m)* It is the intent of this chapter that all funds allocated from
17 the California State Lottery Education Fund shall be used
18 exclusively for the education of pupils and students and no funds
19 shall be spent for acquisition of real property, construction of
20 facilities, financing of research, or any other noninstructional
21 purpose.

22 SEC. 2. The Legislature finds and declares that this act furthers
23 the purpose of the California State Lottery Act of 1984, enacted
24 by Proposition 37 at the November 6, 1984, general election.