

AMENDED IN SENATE AUGUST 2, 2016

AMENDED IN ASSEMBLY APRIL 25, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 2659

**Introduced by Committee on Education (Assembly Members
O'Donnell (Chair), Olsen (Vice Chair), Kim, McCarty, Santiago,
Thurmond, and Weber)**

February 19, 2016

An act to amend Sections 8261, 35147, 35514, 35531, 35545, 35555, 35556, 35559, 35561, 35562, 35563, 35566, 35572, 35574, 35576, 35577, 35578, 35579, 35700.1, 35705.5, 35706, 35706.5, 35708, 35709, 35710, 35711, 35720.5, 35736, 35740, 35753, 35754, 35755, 35759, 35780, 35780.1, 37223, 41326, 41327.2, 41339, 42103, 42127.1, 46600, 47605.1, 47605.6, 47612.1, 48300, 51781, 52302.8, 52520, 56337.5, 56339, 56426.6, 56441.11, 56475, 60800, and 60900 of, and to repeal Sections 32253, 41020.6, 41320.3, and 49082 of, the Education Code, and to amend Section 12 of Chapter 525 of the Statutes of 1995, relating to elementary and secondary education.

LEGISLATIVE COUNSEL'S DIGEST

AB 2659, as amended, Committee on Education. Elementary and secondary education: omnibus revisions.

Existing law establishes a system of public elementary and secondary schools throughout the state. These schools are operated by local educational agencies and provide instruction to pupils in kindergarten and grades 1 to 12, inclusive.

Existing law requires a free appropriate public education to be made available to individuals with exceptional needs in accordance with

specified federal regulations adopted pursuant to the federal Individuals with Disabilities Education Act.

Existing law requires each person between the ages of 6 to 18 years, inclusive, who is not otherwise exempt, to attend the public full-time day school in the school district in which his or her parent or guardian is a resident. Existing law authorizes the governing boards of 2 or more school districts to enter into an agreement, for a term not to exceed 5 school years, for the interdistrict attendance of pupils who are residents of the school districts.

This bill would make changes in statutes relating to public elementary and secondary schools, including specified statutes relating to the educational services provided to individuals with exceptional needs. *The bill would prohibit a school district of residence, regardless of whether an interdistrict transfer agreement exists, from prohibiting the transfer of a pupil who is a child of an active military duty parent, as defined, to a school district of proposed enrollment if the school district of proposed enrollment approves the application for transfer.* The bill would make clarifying changes in numerous terms and phrases, conform state statutes to federal regulations, and update cross-references to statutes and to state regulations adopted pursuant to federal regulations. The bill would *also* delete requirements for the submission of numerous reports relating to elementary and secondary education.

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

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

1 SECTION 1. Section 8261 of the Education Code is amended
2 to read:
3 8261. (a) The Superintendent shall adopt rules and regulations
4 pursuant to this chapter. The rules and regulations shall include,
5 but not be limited to, provisions that do all of the following:
6 (1) Provide clear guidelines for the selection of agencies when
7 child development contracts are let, including, but not limited to,
8 specification that any agency headquartered in the proposed service
9 area on January 1, 1985, will be given priority for a new contract
10 in that area, unless the department makes a written determination
11 that (A) the agency is not able to deliver the level of services
12 specified in the request for proposal, or (B) the department has

1 notified the agency that it is not in compliance with the terms of
2 its contract.

3 (2) Provide for a contract monitoring system to ensure that
4 agencies expend funds received pursuant to this chapter in
5 accordance with the provisions of their contracts.

6 (3) Specify adequate standards of agency performance.

7 (4) Establish reporting requirements for service reports,
8 including provisions for varying the frequency with which these
9 reports are to be submitted on the basis of agency performance.

10 (5) Specify standards for withholding payments to agencies that
11 fail to submit required fiscal reports.

12 (6) Set forth standards for department site visits to contracting
13 agencies, including, but not limited to, specification as to the
14 purpose of the visits, the personnel that will perform these visits,
15 and the frequency of these visits which shall be as frequently as
16 staff and budget resources permit.

17 (7) Authorize the department to develop a process that requires
18 every contracting agency to recompete for continued funding no
19 less frequently than every five years.

20 (b) The Superintendent shall consult with the State Department
21 of Social Services with respect to rules and regulations adopted
22 relative to the disbursement of federal funds under Title XX of the
23 federal Social Security Act.

24 (c) For purposes of expediting the implementation of state or
25 federal legislation to expand child care services, the Superintendent
26 may waive (1) the regulations regarding the point qualifications
27 for, and the process and scoring of, interviews of contract
28 applicants pursuant to Section 18002 of Title 5 of the California
29 Code of Regulations, or (2) the time limitations for scheduling and
30 notification of appeal hearings and their results pursuant to Section
31 18003 of Title 5 of the California Code of Regulations. The
32 Superintendent shall ensure that the appeal hearings provided for
33 in Section 18003 of Title 5 of the California Code of Regulations
34 are conducted in a timely manner.

35 (d) (1) Child care and development programs operated under
36 contract from funds made available pursuant to the federal Child
37 Care and Development Fund, *Fund* shall be administered according
38 to Chapter 19 (commencing with Section 17906) of Division 1 of
39 Title 5 of the California Code of Regulations, unless provisions
40 of these regulations conflict with federal regulations. If state and

1 federal regulations conflict, the federal regulations shall apply
2 unless a waiver of federal regulations is authorized.

3 (2) For purposes of this section, “Child Care and Development
4 Fund” has the same meaning as in Section 98.2 of Title 45 of the
5 Code of Federal Regulations.

6 SEC. 2. Section 32253 of the Education Code is repealed.

7 SEC. 3. Section 35147 of the Education Code is amended to
8 read:

9 35147. (a) Except as specified in this section, any meeting of
10 the councils or committees specified in subdivision (b) is exempt
11 from the provisions of this article, the Bagley-Keene Open Meeting
12 Act (Article 9 (commencing with Section 11120) of Chapter 1 of
13 Division 3 of Title 2 of the Government Code), and the Ralph M.
14 Brown Act (Chapter 9 (commencing with Section 54950) of
15 Division 2 of Title 5 of the Government Code).

16 (b) The councils and schoolsite advisory committees established
17 pursuant to Sections 52063, 52069, 52176, and 52852, subdivision
18 (b) of Section 54425, Sections 54444.2 and 62002.5, and
19 committees formed pursuant to Section 11503 are subject to this
20 section.

21 (c) (1) Any meeting held by a council or committee specified
22 in subdivision (b) shall be open to the ~~public~~ *public*, and any
23 member of the public shall be able to address the council or
24 committee during the meeting on any item within the subject matter
25 jurisdiction of the council or committee. Notice of the meeting
26 shall be posted at the schoolsite, or other appropriate place
27 accessible to the public, at least 72 hours before the time set for
28 the meeting. The notice shall specify the date, time, and location
29 of the meeting and contain an agenda describing each item of
30 business to be discussed or acted upon. The council or committee
31 may not take any action on any item of business unless that item
32 appeared on the posted agenda or unless the council or committee
33 members present, by unanimous vote, find that there is a need to
34 take immediate action and that the need for action came to the
35 attention of the council or committee subsequent to the posting of
36 the agenda.

37 (2) Questions or brief statements made at a meeting by members
38 of the council, committee, or public that do not have a significant
39 effect on pupils or employees in the school or school district, or
40 that can be resolved solely by the provision of ~~information~~

1 *information*, need not be described on an agenda as items of
2 business. If a council or committee violates the procedural meeting
3 requirements of this ~~section~~ and *section*, upon demand of any
4 person, the council or committee shall reconsider the item at its
5 next meeting, after allowing for public input on the item.

6 (d) Any materials provided to a schoolsite council shall be made
7 available to any member of the public who requests the materials
8 pursuant to the California Public Records Act (Chapter 3.5
9 (commencing with Section 6250) of Division 7 of Title 1 of the
10 Government Code).

11 SEC. 4. Section 35514 of the Education Code is amended to
12 read:

13 35514. As used in this chapter and in Chapter 4 (commencing
14 with Section 35700):

15 (a) “Affected district” means a school district that has been, or
16 is proposed to be, affected by an action to reorganize pursuant to
17 Section 35511 or by an action to lapse a school district pursuant
18 to Section 35780.1. Affected districts include all of the following
19 school district types:

20 (1) “Original district” means a school district as it existed before
21 an action to reorganize pursuant to Section 35511 or before an
22 action to lapse a school district pursuant to Section 35780.1. The
23 boundaries of an “original district” are those of the school district
24 as it existed immediately before the action to reorganize or lapse.

25 (2) “Former district” means a school district that has been wholly
26 included in another school district, or has had all of its territory
27 made part of two or more other school districts, through any action
28 taken pursuant to Section 35511 or through a lapsation pursuant
29 to Section 35780.1. The boundaries of a former district are those
30 of the school district as it existed immediately before an action to
31 reorganize or lapse.

32 (3) “New district” means a school district that is formed from
33 all or portions of one or more other school districts by an action
34 to reorganize taken pursuant to subdivision (a) of Section 35511.
35 A new district does not exist before such an action.

36 (4) “Acquiring district” means a school district that has all or
37 portions of one or more other school districts transferred into, or
38 lapsed into, its boundaries pursuant to subdivision (b) of Section
39 35511 or Section 35780.1.

1 (5) “Divided district” means a school district that has had a
2 portion of its territory become part of a new school district or
3 transferred into one or more other school districts by an action to
4 reorganize taken pursuant to Section 35511.

5 (A) The “reorganized portion of a divided district” means the
6 portion of the divided school district’s territory that becomes part
7 of a new school district or is transferred into one or more other
8 school districts.

9 (B) The “remaining portion of a divided district” means the
10 portion of the divided school district’s territory that does not
11 become part of a new school district or that is not transferred into
12 one or more other school districts.

13 (6) “Reorganized district” means a school district that is a “new
14 district,” an “acquiring district,” or a “divided district.”

15 (b) “Districts” means school districts of every kind or class.

16 SEC. 5. Section 35531 of the Education Code is amended to
17 read:

18 35531. An action to form a unified school district pursuant to
19 Section 35542 is complete upon the date of completion of the
20 action by which the boundaries of the school districts comprising
21 the unified school district become coterminous.

22 SEC. 6. Section 35545 of the Education Code is amended to
23 read:

24 35545. (a) Before the date upon which a reorganized district
25 becomes effective for all purposes, the county committee may
26 include all, or part of, the territory in plans and recommendations
27 for further reorganization.

28 (b) During the first five years after the effective date for all
29 purposes of the formation of a new district, no territory shall be
30 removed from the school district without the consent of the
31 governing board of the school district.

32 SEC. 7. Section 35555 of the Education Code is amended to
33 read:

34 35555. (a) The reorganization of any school district or school
35 districts shall not affect the classification of certificated employees
36 already employed by any school district affected. Those employees
37 have the same status with respect to their classification by the
38 school district, including time served as probationary employees
39 of the school district, after the reorganization as they had before
40 it. If the reorganization results in the school or other place in which

1 the employee is employed being maintained by another school
2 district, the employee, if a permanent employee of the school
3 district that formerly maintained the school or other place of
4 employment, shall be employed as a permanent employee of the
5 school district that thereafter maintains the school or other place
6 of employment, unless the employee elects before February 1 of
7 the year in which the action will become effective for all purposes
8 to continue in the employ of the first school district.

9 (b) If the employee is a probationary employee of the school
10 district that formerly maintained the school or other place of
11 employment, he or she shall be employed by the school district
12 that thereafter maintains the school or other place of employment,
13 unless the probationary employee is terminated by the school
14 district pursuant to Section 44929.21, 44948, 44948.3, 44949, or
15 44955, and, if not so terminated, his or her status with respect to
16 classification by the school district shall be the same as it would
17 have been had the school or other place of employment continued
18 to be maintained by the school district that formerly maintained
19 it. As used in this paragraph, “the school or other place in which
20 the employee is employed” and all references thereto, includes,
21 but is not necessarily limited to, the school services or school
22 program that, as a result of any reorganization of a school district,
23 will be provided by another school district, irrespective of whether
24 any particular building or buildings in which the schoolwork or
25 school program was conducted is physically located in the
26 reorganized district and irrespective of whether any reorganized
27 district elects to provide for the education of its pupils by
28 contracting with another school district until the reorganized district
29 constructs its own facilities.

30 SEC. 8. Section 35556 of the Education Code is amended to
31 read:

32 35556. (a) The reorganization of any school district, or school
33 districts, shall not affect the rights of persons employed in positions
34 not requiring certification qualifications to retain the salary, leaves,
35 and other benefits that they would have had if the reorganization
36 had not occurred. These persons shall be treated in the manner
37 provided in this section.

38 (b) All employees of every school district that is included in
39 any other school district, or all school districts included in a new
40 district, shall become employees of the new district.

1 (c) (1) When a portion of the territory of any school district
2 becomes part of another school district, employees regularly
3 assigned to perform their duties in the territory affected shall
4 become employees of the acquiring district unless, in a manner
5 consistent with relevant provisions of this code and with any
6 applicable collective bargaining agreement, one of the following
7 events occurs:

8 (A) An employee elects to accept a vacant position, for which
9 he or she qualifies, that the original district elects to fill.

10 (B) An employee elects to fill, by exercise of his or her rights
11 of seniority under existing law or the collective bargaining
12 agreement with the original district, a position, for which he or
13 she qualifies, in the original district.

14 (C) An employee elects to have his or her name entered on a
15 reemployment list of the original district.

16 (2) Employees whose assignments pertained to the affected
17 territory, but whose employment situs was not in that territory,
18 may elect to remain with the original district or become employees
19 of the acquiring district.

20 (d) When the territory of any school district is divided between,
21 or among, two or more new or acquiring districts, and the original
22 district ceases to exist, employees of the original district regularly
23 assigned to perform their duties in any specific territory of the
24 school district shall become employees of the school district
25 acquiring the territory. Employees not assigned to specific territory
26 within the original district shall become employees of any acquiring
27 district at the election of the employees.

28 (e) An employee regularly assigned by the original district to
29 any school in the school district shall be an employee of the school
30 district in which the school is located unless that employee elects
31 to continue in the employ of the original district pursuant to
32 subdivision (c).

33 (f) Except as otherwise provided in this section, nothing in this
34 section shall be construed to deprive the governing board of the
35 new or acquiring district from making reasonable reassignments
36 of duties.

37 (g) The amendments to this section made during the 1999–2000
38 Regular Session of the Legislature shall apply only to school
39 district reorganizations commenced on or after January 1, 2000.

1 SEC. 9. Section 35559 of the Education Code is amended to
2 read:

3 35559. Notwithstanding Sections 5000 and 35105, when the
4 first elected board of any new district is elected on the same date
5 that the election is held for adopting the proposal for the formation
6 of the new district and when the terms of several members of the
7 first governing board would expire before the date on which the
8 school district becomes effective for all purposes, no election shall
9 be held in November of that odd-numbered year, but the several
10 members whose terms expire shall serve until April 30 of the next
11 succeeding even-numbered year. A governing board election shall
12 be held on the second Tuesday in April of that even-numbered
13 year to fill the offices of the members whose terms expire on the
14 April 30 next succeeding the election. The terms of office of the
15 members so elected shall expire on the first Friday in December
16 of the second succeeding odd-numbered year. Their successors
17 shall be elected pursuant to Section 5000.

18 SEC. 10. Section 35561 of the Education Code is amended to
19 read:

20 35561. Any funds derived from the sale of the school bonds
21 issued by the original district shall be used for the acquisition,
22 construction, or improvement of school property only in the
23 territory that comprised the original district or to discharge bonded
24 indebtedness of the original district, except that, if the bonded
25 indebtedness is assumed by the new or acquiring district, the funds
26 may be used in any area of the new district for the purposes for
27 which the bonds were originally voted.

28 SEC. 11. Section 35562 of the Education Code is amended to
29 read:

30 35562. If all the territory of a school district becomes part of
31 two or more school districts of any type, and the inclusion in the
32 two or more new or acquiring districts of the several portions of
33 territory comprising the whole of the former district is effective
34 for all purposes on the same date, the records of the former district
35 shall be disposed of as follows:

36 (a) All records of the former district that are required by law to
37 be kept on file shall be deposited with the governing board of the
38 school district which, after the reorganization has become effective
39 for all purposes, has located within its boundaries the former office
40 of the superintendent of the original district.

1 (b) Records of employees shall be transferred to the school
2 district thereafter employing the personnel or thereafter maintaining
3 the last place of employment.

4 (c) Records of pupils shall be transferred to the school district
5 that, after the date on which the reorganization becomes effective
6 for all purposes, maintains the school in which a pupil was last
7 enrolled.

8 SEC. 12. Section 35563 of the Education Code is amended to
9 read:

10 35563. (a) If all of the territory of a school district becomes
11 part of two or more school districts of any type, and the inclusion
12 in the two or more new school districts of the several portions of
13 territory comprising the former district is effective for all purposes
14 on the same date, the county superintendent of schools having
15 jurisdiction over the former district shall assume responsibility for
16 all of the following:

- 17 (1) Completing all records and reports of the former district.
- 18 (2) Paying all outstanding obligations, except obligations
19 resulting from contracts that are to be assumed by a new or
20 acquiring district.
- 21 (3) Preparing for proper filing all records of the former district
22 required to be kept permanently by the provisions of any applicable
23 code.
- 24 (4) Distributing records as provided in Section 35562.
- 25 (5) Employing an auditor as required in Section 41020.
- 26 (6) Discharging other functions that he or she deems necessary
27 to the dissolution of the school district.

28 (b) In discharging these duties, the county superintendent of
29 schools may request the services of employees of the original
30 district or the new or acquiring district, and the new or acquiring
31 districts shall release those employees to the county superintendent
32 of schools for the purpose of accomplishing the requirements of
33 this section. The salaries of those employees and all other necessary
34 expenses of completing the requirements of this section shall be
35 charged against the accumulated funds of the former district before
36 the final distribution of those funds to the new or acquiring districts.

37 SEC. 13. Section 35566 of the Education Code is amended to
38 read:

39 35566. Notwithstanding any other provision of this article,
40 exchanges of property tax revenues between school districts as a

1 result of an action to reorganize shall be determined pursuant to
2 subdivision (i) of Section 99 of the Revenue and Taxation Code
3 if one or more affected districts receive only basic aid
4 apportionments required by Section 6 of Article IX of the
5 California Constitution.

6 SEC. 14. Section 35572 of the Education Code is amended to
7 read:

8 35572. No territory shall be taken from any school district
9 having any outstanding bonded indebtedness and made a part of
10 another school district where the action, if taken, would so reduce
11 the last equalized assessed valuation of the divided district so that
12 the outstanding bonded indebtedness of the divided district would
13 exceed 5 percent of the assessed valuation in the remaining territory
14 of the divided district for each level maintained, on the date the
15 reorganization is effective pursuant to Section 35766.

16 SEC. 15. Section 35574 of the Education Code is amended to
17 read:

18 35574. Notwithstanding any other provision of this code, for
19 the purposes of applying the State School Building Aid Law of
20 1952 (Chapter 6 (commencing with Section 16000) of Part 10 of
21 Division 1 of Title 1), the amount of outstanding bonded
22 indebtedness, exclusive of interest, of the former or divided districts
23 that is equal to the liability incurred by the new or acquiring district
24 pursuant to Section 35576 shall be considered a liability of the
25 new or acquiring district for purposes of computing the bonding
26 capacity of the school district.

27 SEC. 16. Section 35576 of the Education Code is amended to
28 read:

29 35576. (a) If territory is taken from one school district and
30 annexed to, or included in, a new or acquiring district by any
31 procedure, and the area transferred contains real property, the new
32 or acquiring district shall take possession of the real property,
33 pursuant to paragraph (1) of subdivision (a) of Section 35560, on
34 the day when the action to reorganize becomes effective for all
35 purposes. The reorganized territory shall cease to be liable for the
36 bonded indebtedness of the school district of which it was formerly
37 a part, and shall automatically assume its proportionate share of
38 the outstanding bonded indebtedness of any school district of which
39 it becomes a part.

1 (b) The new or acquiring district shall be liable for the greater
 2 of the amounts determined under provisions of paragraph (1) or
 3 (2), or the amount determined pursuant to a method prescribed
 4 under Section 35738.

5 (1) The proportionate share of the outstanding bonded
 6 indebtedness of the original district, which proportionate share
 7 shall be in the ratio that the total assessed valuation of the
 8 transferring territory bears to the total assessed valuation of the
 9 original district in the year immediately preceding the date on
 10 which the action to reorganize is effective for all purposes. This
 11 ratio shall be used each year until the bonded indebtedness for
 12 which the new or acquiring district is liable has been repaid.

13 (2) The portion of the outstanding bonded indebtedness of the
 14 original district that was incurred for the acquisition or
 15 improvement of real property, or fixtures located on the real
 16 property, and situated in the reorganized territory.

17 (c) The county board of supervisors shall compute for the
 18 reorganized districts an annual tax rate for bond interest and
 19 redemption that will include the bond interest and redemption on
 20 the outstanding bonded indebtedness specified in paragraph (1) or
 21 (2) of subdivision (b), or the amount determined pursuant to a
 22 method prescribed under Section 35738. The county board of
 23 supervisors shall also compute tax rates for the annual charge and
 24 use charge prescribed by former Sections 1822.2 and 1825, as they
 25 read on July 1, 1970, when those charges were established before
 26 November 23, 1970. All of those tax rates shall be levied in excess
 27 of any other ad valorem property tax authorized or required by
 28 law, and shall not be included in the computation of the limitation
 29 specified in subdivision (a) of Section 1 of Article XIII A of the
 30 California Constitution.

31 SEC. 17. Section 35577 of the Education Code is amended to
 32 read:

33 35577. Whenever a school district having authorized but unsold
 34 bonds is completely divided between two or more new or acquiring
 35 districts so that the original district ceases to exist, pursuant to any
 36 provision of this chapter, the board of supervisors shall, before the
 37 date the action is effective for the purposes of Section 35534, make
 38 and enter an order in the minutes of its proceedings that the
 39 authorization to issue the unsold bonds be divided between each
 40 new or acquiring district in the ratio that the assessed valuation of

1 the reorganized territory included in each school district bears to
2 the total assessed valuation of the former district. The bonds, if
3 issued by any new or acquiring district, shall be considered a
4 liability of the school district for purposes of computing the
5 bonding capacity of the school district when applying the State
6 School Building Aid Law of 1952 (Chapter 6 (commencing with
7 Section 16000) of Part 10 of Division 1 of Title 1).

8 SEC. 18. Section 35578 of the Education Code is amended to
9 read:

10 35578. Any unsold bonds of an elementary, high, or unified
11 school district that is included as a whole in a new or acquiring
12 district through any kind of reorganization may be issued by the
13 board of supervisors in the name of the new or acquiring district
14 and the proceeds derived upon the sale thereof shall be the funds
15 of the new or acquiring district. However, the proceeds derived
16 upon the sale thereof shall be expended only for the purpose, or
17 purposes, for which those bonds were authorized.

18 SEC. 19. Section 35579 of the Education Code is amended to
19 read:

20 35579. Any unsold bonds of an elementary, high, or unified
21 school district that is included as a whole in a new or acquiring
22 district through any kind of reorganization, if issued by the board
23 of supervisors in the names of the former districts shall be
24 considered a liability of the new or acquiring district for purposes
25 of computing the bonding capacity of the school district when
26 applying the State School Building Aid Law of 1952 (Chapter 6
27 (commencing with Section 16000) of Part 10 of Division 1 of Title
28 1).

29 SEC. 20. Section 35700.1 of the Education Code is amended
30 to read:

31 35700.1. (a) A county superintendent of schools may do any
32 of the following, as necessary, with respect to the reorganization
33 of school districts within the jurisdiction of a county superintendent
34 of schools:

35 (1) Before the initiation of an action to reorganize, a county
36 superintendent of schools may do any of the following:

37 (A) Provide information, coordination, and guidance to potential
38 petitioners for reorganization and to other parties inquiring about
39 the petition process.

40 (B) Provide procedural advice and counseling.

1 (C) Provide information and assistance for community meetings,
2 information sessions, and briefing sessions.

3 (D) Provide for coordination of media and community relations.

4 (2) A county superintendent of schools may perform the
5 following duties for the processing and evaluation of multiple
6 petitions to reorganize one or more school districts:

7 (A) Ensure compliance with all requirements pertaining to the
8 petitions.

9 (B) Ensure compliance with all required timelines or deadlines
10 for petitions.

11 (C) Apply new and preexisting evaluation criteria to the petition.

12 (3) A county superintendent of schools may provide assistance
13 to reorganized districts during the interim period, as follows:

14 (A) To ensure smooth transitions with minimum disruption to
15 pupils and staff.

16 (B) To provide advisory and consulting expertise on any of the
17 following:

18 (i) Board and administrative policies and regulations.

19 (ii) Personnel policies.

20 (iii) Curriculum.

21 (iv) Instructional programs and services.

22 (v) Financial and budgeting functions.

23 (vi) Distribution of assets and liabilities.

24 (b) No funds appropriated in the annual Budget Act or another
25 statute and allocated to the Los Angeles County Office of
26 Education shall be used to instigate, solicit, or promote the
27 development of plans to reorganize a school district or school
28 districts within the jurisdiction of the county office of education,
29 except that the funds may be used to support the research necessary
30 to review and make recommendations regarding reorganization
31 plans that are submitted to the county office of education.

32 SEC. 21. Section 35705.5 of the Education Code is amended
33 to read:

34 35705.5. (a) The county committee may add to the petition
35 any of the appropriate provisions specified in Article 3
36 (commencing with Section 35730) that were not included in the
37 petition as filed and may amend any such provision that was so
38 included.

39 (b) At least 10 days before the public hearing, or hearings, on
40 the petition, the county committee shall make available to the

1 public and to the governing boards affected by the petition a
2 description of the petition, including all of the following:

3 (1) The rights of the employees in the affected districts to
4 continued employment.

5 (2) The local control funding formula allocation pursuant to
6 Section 42238.02, as implemented by Section 42238.03, per pupil,
7 for each affected district and the effect of the petition, if approved,
8 on that allocation.

9 (3) Whether the school districts involved will be governed, in
10 part, by provisions of a city charter and, if so, in what way.

11 (4) Whether the governing boards of any proposed new district
12 will have five or seven members.

13 (5) A description of the territory or school districts in which the
14 election, if any, will be held.

15 (6) Where the proposal is to create two or more new districts,
16 whether the proposal will be voted on as a single proposition.

17 (7) Whether the governing board of any new district will have
18 trustee areas and, if so, whether the trustees will be elected by only
19 the voters of that trustee area or by the voters of the entire school
20 district.

21 (8) A description of how the property, obligations, and bonded
22 indebtedness of original districts will be divided.

23 (9) A description of when the first governing board of any new
24 district will be elected and how the terms of office for each new
25 trustee will be determined.

26 SEC. 22. Section 35706 of the Education Code is amended to
27 read:

28 35706. (a) Within 120 days of the commencement of the first
29 public hearing on the petition, the county committee shall
30 recommend approval or disapproval of a petition to form one or
31 more new districts or for the division of the entire territory of a
32 school district into two or more new or acquiring districts, as the
33 petition may be augmented, or shall approve or disapprove a
34 petition for the transfer of territory, as the petition may be
35 augmented. The county committee also shall approve or disapprove
36 a petition to form one or more new districts if the conditions of
37 subdivision (b) of Section 35710 are met.

38 (b) The 120-day period for approving or disapproving a petition
39 pursuant to Section 35709 or 35710 shall commence after
40 certification of an environmental impact report, approval of a

1 negative declaration, or a determination that the project is exempt
2 from the California Environmental Quality Act (Division 13
3 (commencing with Section 21000) of the Public Resources Code).

4 SEC. 23. Section 35706.5 of the Education Code is amended
5 to read:

6 35706.5. (a) No action to reorganize a school district shall be
7 initiated or completed without the consent of a majority of all of
8 the members of the governing board of the affected district if both
9 of the following conditions apply to the school district:

10 (1) It has obtained an emergency apportionment loan from the
11 State of California, but the Superintendent has determined that a
12 state administrator is no longer necessary, and has restored, before
13 the effective date of this section, the legal rights, duties, and powers
14 of the governing board of the school district pursuant to Section
15 41326.

16 (2) It has a pupil population 70 percent of which is from either
17 a “lower income household” or “very low income household” as
18 those terms are defined in Sections 50079.5 and 50105,
19 respectively, of the Health and Safety Code.

20 (b) For purposes of this section, for any school district that meets
21 the description specified in paragraph (1) of subdivision (a),
22 consent to an action to reorganize the boundaries of the school
23 district shall no longer be required when 10 years have elapsed
24 from the date of final payment by the school district of the
25 emergency loan to the State of California.

26 SEC. 24. Section 35708 of the Education Code is amended to
27 read:

28 35708. Except for a petition to form one or more new districts
29 approved pursuant to subdivision (b) of Section 35710, a petition
30 transmitted pursuant to Section 35707, including the plans and
31 recommendations included therein, if any, together with the
32 recommended approval or disapproval and the plans and
33 recommendations, if any, of the county committee shall be heard
34 by the state board as provided in Article 4 (commencing with
35 Section 35750).

36 SEC. 25. Section 35709 of the Education Code is amended to
37 read:

38 35709. If the following conditions are met, the county
39 committee may approve the petition and order that the petition be
40 granted, and shall so notify the county board of supervisors:

1 (a) The county committee finds that the conditions enumerated
2 in paragraphs (1) to (10), inclusive, of subdivision (a) of Section
3 35753 are substantially met, and:

4 (b) Either:

5 (1) The petition is to transfer uninhabited territory from one
6 school district to another and the owner of the territory, or a
7 majority of the owners of the territory, and the governing board
8 of each affected district consents to the transfer; or

9 (2) The petition is to transfer inhabited territory of less than 10
10 percent of the assessed valuation of the school district from which
11 the territory is being transferred, and the governing board of each
12 affected district consents to the transfer.

13 SEC. 26. Section 35710 of the Education Code is amended to
14 read:

15 35710. (a) For all other petitions to transfer territory, if the
16 county committee finds that the conditions enumerated in
17 paragraphs (1) to (10), inclusive, of subdivision (a) of Section
18 35753 substantially are met, the county committee may approve
19 the petition and, if approved, shall notify the county superintendent
20 of schools who shall call an election in the territory of the affected
21 districts as determined by the county committee, to be conducted
22 at the next election of any kind in accordance with either of the
23 following:

24 (1) Section 1002 of the Elections Code and Part 4 (commencing
25 with Section 5000) of Division 1 of Title 1.

26 (2) Division 4 (commencing with Section 4000) of the Elections
27 Code.

28 (b) A county committee also may approve a petition to form
29 one or more new districts if the requirements of subdivision (a),
30 and the following conditions, are met:

31 (1) Each county superintendent of schools with jurisdiction over
32 an affected district elects to grant approval authority to the county
33 committee on school district organization for which he or she is
34 secretary pursuant to Section 4012, and that county committee
35 chooses to accept that authority.

36 (2) The governing board of each of the affected districts consents
37 to the petition.

38 (3) The secretary of the county committee designated as the
39 lead agency pursuant to Section 35710.3 or subdivision (a) of
40 Section 35520.5 enters into an agreement on behalf of the county

1 committee for any or all affected districts to share among those
 2 districts the costs of complying with the requirements of the
 3 California Environmental Quality Act (Division 13 (commencing
 4 with Section 21000) of the Public Resources Code).

5 (c) A petition to form one or more new districts that meets the
 6 conditions described in subdivision (b), but is not approved by the
 7 county committee, shall be transmitted to the state board pursuant
 8 to subdivision (a) of Section 35707 and heard by the state board
 9 pursuant to Section 35708. The state board, rather than the county
 10 committee, shall be the lead agency, as defined in Section 21067
 11 of the Public Resources Code, for purposes of the California
 12 Environmental Quality Act (Division 13 (commencing with Section
 13 21000) of the Public Resources Code) for each petition transmitted
 14 pursuant to this subdivision, including a petition disapproved by
 15 the county committee after determining the project is exempt from
 16 the California Environmental Quality Act pursuant to paragraph
 17 (5) of subdivision (b) of Section 21080 of the Public Resources
 18 Code.

19 SEC. 27. Section 35711 of the Education Code is amended to
 20 read:

21 35711. (a) A person questioning the finding of the county
 22 committee pursuant to Section 35709 or 35710 that the action to
 23 transfer territory or form one or more new districts will not
 24 adversely affect the racial or ethnic integration of the schools of
 25 the districts affected, may appeal a decision based on that finding.
 26 The appeal shall be made to the state board within 30 days. The
 27 appeal shall be based upon factual and statistical evidence.

28 (b) If the state board denies the appeal, the decision of the county
 29 committee shall stand. If the state board approves the appeal, it
 30 shall review the findings of the county committee at a regular
 31 meeting of the state board.

32 (c) The state board shall notify the county committee of its
 33 decision on the appeal. If the state board approves the appeal, the
 34 county committee shall transmit a copy of the proceedings to the
 35 state board within 30 days after receipt of notice. The state board
 36 shall review the transcript, considering all factors involved. The
 37 state board may reverse, or may affirm, the decision of the county
 38 committee, or if it appears that inadequate consideration was given
 39 to the effect of the transfer on integration of the schools of the

1 school districts affected, it shall direct the county committee to
2 reconsider its decision and for this purpose to hold another hearing.

3 SEC. 28. Section 35720.5 of the Education Code is amended
4 to read:

5 35720.5. (a) The county committee shall adopt a tentative
6 recommendation following which action it shall hold one or more
7 public hearings in the area proposed for reorganization at least 30
8 days before submission of a final recommendation for unification
9 or other reorganization to the state board.

10 (b) The public hearing required by this section shall be called
11 when both of the following conditions are met:

12 (1) Notice is sent to the governing board of each affected district
13 at least 10 days before the hearing.

14 (2) Notice of the hearing is either published in a newspaper of
15 general circulation or posted in every schoolhouse and at least
16 three public places in the affected territory, school district, or
17 school districts.

18 (c) The notice shall contain information as to the time, place,
19 and purpose of the hearing.

20 SEC. 29. Section 35736 of the Education Code is amended to
21 read:

22 35736. Plans and recommendations may include a proposal
23 for dividing the property, other than real property, and obligations
24 of any school district proposed to be divided between two or more
25 new or acquiring districts, or proposed to be partially included in
26 one or more new or acquiring districts. As used in this section,
27 “property” includes funds, cash on hand, and moneys due but
28 uncollected on the date reorganization becomes effective for all
29 purposes, and state apportionments based on average daily
30 attendance earned in the year immediately preceding the date
31 reorganization becomes effective for all purposes. In providing
32 for this division, the plans and recommendations may consider the
33 assessed valuation of each portion of the school district, the local
34 control funding formula allocation pursuant to Section 42238.02,
35 as implemented by Section 42238.03, in each school district, the
36 number of children of schoolage residing in each portion of the
37 school district, the value and location of the school property, and
38 other matters that may be deemed pertinent and equitable. Any
39 such proposal shall be an integral part of the proposal and not a
40 separate proposition.

1 SEC. 30. Section 35740 of the Education Code is amended to
2 read:

3 35740. In addition to satisfying the requirements of subdivision
4 (j) of Section 42127.6, upon the approval of a petition for
5 reorganization and continuing after the certification of the election
6 results for an action to reorganize a school district pursuant to
7 Section 35763, or upon the appointment of an interim governing
8 board pursuant to Section 35100, until the effective date of the
9 reorganized district in accordance with Article 4 (commencing
10 with Section 35530) of Chapter 3, an affected district is subject to
11 all of the following:

12 (a) (1) The interim board or the governing board of the original
13 district or districts, and, where applicable, the administrators of
14 the original district or districts, shall notify the county
15 superintendent of schools in writing, and provide relevant
16 documents and information no less than 10 schooldays before
17 taking any action on any matter that could have a material fiscal
18 impact on, or impose a debt or liability on, the original, proposed,
19 or reorganized school district.

20 (2) Notwithstanding any other law, failure to provide the notice
21 and relevant documents and information required by paragraph
22 (1) shall nullify the action taken by the board or administrator of
23 the affected district or districts.

24 (3) As used in this section, “schoolday” means a day upon which
25 the schools of the district are in session or nonholiday weekdays
26 during the summer recess.

27 (b) The county superintendent of schools may review any action
28 taken or proposed to be taken by any interim or existing governing
29 board or school district administrators to determine whether that
30 action would have a material fiscal impact, debt, or liability on the
31 original, proposed, or reorganized school district. If, based on the
32 review of the county superintendent of schools, the county
33 superintendent of schools determines that the action or proposed
34 action would have a material fiscal impact on the original,
35 proposed, or reorganized school district, and that action is
36 unnecessary for the immediate functioning of the original or
37 reorganized school district, the county superintendent of schools
38 may stay or rescind that action. The county superintendent of
39 schools shall inform the original or interim reorganized school
40 district governing board or the school district administrators in

1 writing of his or her justification for the exercise of authority under
2 this subdivision to stay or rescind any action of the interim or
3 original school district governing board.

4 (c) A school district shall provide any documents or information
5 requested by the county superintendent of schools in a timely
6 manner related to proposed actions that are under review pursuant
7 to this section.

8 (d) The provisions of this section shall apply irrespective of a
9 school district's budget or certification status under Article 2
10 (commencing with Section 42120) or Article 3 (commencing with
11 Section 42130) of Chapter 6 of Part 24.

12 SEC. 31. Section 35753 of the Education Code is amended to
13 read:

14 35753. (a) The state board may approve proposals for the
15 reorganization of school districts, if the state board has determined,
16 with respect to the proposal and the resulting school districts, that
17 all of the following conditions are substantially met:

18 (1) The reorganized districts will be adequate in terms of number
19 of pupils enrolled.

20 (2) The school districts are each organized on the basis of a
21 substantial community identity.

22 (3) The proposal will result in an equitable division of property
23 and facilities of the original district or districts.

24 (4) The reorganization of the school districts will preserve each
25 affected district's ability to educate pupils in an integrated
26 environment and will not promote racial or ethnic discrimination
27 or segregation.

28 (5) Any increase in costs to the state as a result of the proposed
29 reorganization will be insignificant and otherwise incidental to the
30 reorganization.

31 (6) The proposed reorganization will continue to promote sound
32 education performance and will not significantly disrupt the
33 educational programs in the affected districts.

34 (7) Any increase in school facilities costs as a result of the
35 proposed reorganization will be insignificant and otherwise
36 incidental to the reorganization.

37 (8) The proposed reorganization is primarily designed for
38 purposes other than to significantly increase property values.

1 (9) The proposed reorganization will continue to promote sound
2 fiscal management and not cause a substantial negative effect on
3 the fiscal status of the affected district.

4 (10) Any other criteria that the state board may, by regulation,
5 prescribe.

6 (b) The state board may approve a proposal for the
7 reorganization of school districts if the state board determines that
8 it is not practical or possible to apply the criteria of this section
9 literally, and that the circumstances with respect to the proposals
10 provide an exceptional situation sufficient to justify approval of
11 the proposals.

12 SEC. 32. Section 35754 of the Education Code is amended to
13 read:

14 35754. After affording interested persons an opportunity to
15 present their views on the petition to reorganize school districts,
16 and after hearing any findings and recommendations of the
17 Superintendent, the state board shall approve or disapprove the
18 petition. If the state board approves the petition, it may amend or
19 include in the proposal any of the appropriate provisions of Article
20 3 (commencing with Section 35730).

21 SEC. 33. Section 35755 of the Education Code is amended to
22 read:

23 35755. After the state board has approved the plans and
24 recommendations for the unification or other reorganization of the
25 school districts in any area, including approval through affirmation
26 or reversal of the action of a county committee, the secretary of
27 the state board shall give notice of the approval to the county
28 superintendent of schools having jurisdiction over any of the school
29 districts whose boundaries or status would be affected by the
30 reorganization as proposed.

31 SEC. 34. Section 35759 of the Education Code is amended to
32 read:

33 35759. The cost of preparation and distribution of the statement
34 setting forth the arguments in favor of, and those opposed to, the
35 recommendations of the county board, and the cost of any election
36 held pursuant to this article shall be a charge against the general
37 fund of the county. If the proposed reorganized district is situated
38 in more than one county, the cost of the election shall be prorated
39 against each county in the same proportion as the assessed
40 valuation of the territory of the proposed reorganized district lying

1 in that county bears to the total assessed valuation of the proposed
2 reorganized districts.

3 SEC. 35. Section 35780 of the Education Code is amended to
4 read:

5 35780. (a) A school district that has been organized for more
6 than three years shall be lapsed as provided in this article if the
7 number of registered electors in the school district is less than six
8 or if the average daily attendance of pupils in the school or schools
9 maintained by the school district is less than six in grades 1 through
10 8 or is less than 11 in grades 9 through 12, except that for any
11 unified district that has established and continues to operate at
12 least one senior high school, the board of supervisors shall defer
13 the lapsation of the school district for one year upon a written
14 request of the governing board of the school district and written
15 concurrence of the county committee. The board of supervisors
16 shall make no more than three such deferments.

17 (b) For a new district that has been unable to provide the school
18 facilities necessary for instructional services by employees of the
19 school district to all of the pupils who are residents of the school
20 district after five years from the date that the reorganization became
21 effective, the county committee on school district organization,
22 upon direction from the state board, shall initiate lapsation
23 procedures pursuant to Section 35783 or revert the reorganized
24 district to its original status.

25 (c) A school district may also be lapsed when there are no school
26 facilities or sites on which to maintain any school in the school
27 district.

28 SEC. 36. Section 35780.1 of the Education Code is amended
29 to read:

30 35780.1. For purposes of this article, the following terms have
31 the following meanings:

32 (a) "Lapse" means dissolving a school district and annexing the
33 entire territory of that school district to one or more adjoining
34 school districts.

35 (b) "Lapsation" means an action to lapse as defined by this
36 section.

37 SEC. 37. Section 37223 of the Education Code is amended to
38 read:

39 37223. (a) The governing board of any elementary, high
40 school, or unified school district or any county superintendent of

1 schools may maintain classes on Saturday or Sunday, or both. The
 2 classes maintained pursuant to this section may include, but are
 3 not necessarily limited to, all of the following:

- 4 (1) Continuation classes.
- 5 (2) Special day classes for mentally gifted minors.
- 6 (3) Makeup classes for absences occurring during the week.
- 7 (4) The programs of a regional occupational center or regional
 8 occupational program.

9 (b) Except as otherwise provided in this code, the attendance
 10 of any pupil in a class or program held on a Saturday or Sunday
 11 shall not result in the crediting of more than five days of attendance
 12 for the pupil per week.

13 (c) Attendance at classes conducted on Saturday or Sunday, or
 14 both, shall be at the election of the pupil or, in the case of a minor
 15 pupil, the parent or guardian of the pupil. However, the governing
 16 board may require truants, as defined by Section 48260, to attend
 17 makeup classes conducted on one day of a weekend.

18 (d) Except as otherwise provided in this code, any class that is
 19 offered on a Saturday or Sunday shall be one offered during the
 20 regular Monday through Friday school week.

21 (e) The voluntary attendance of pupils in approved programs
 22 for mentally gifted minors, as defined in Section 52200, in special
 23 educational activities conducted on Saturday or Sunday shall not
 24 be included in the computation of the average daily attendance of
 25 the school district.

26 (f) Subdivisions (b) and (d) shall not apply to regional
 27 occupational centers or programs.

28 SEC. 38. Section 41020.6 of the Education Code is repealed.

29 SEC. 39. Section 41320.3 of the Education Code is repealed.

30 SEC. 40. Section 41326 of the Education Code is amended to
 31 read:

32 41326. (a) Notwithstanding any other provision of this code,
 33 the acceptance by a school district of an apportionment made
 34 pursuant to Section 41320 that exceeds an amount equal to 200
 35 percent of the amount of the reserve recommended for that school
 36 district under the standards and criteria adopted pursuant to Section
 37 33127 constitutes the agreement by the school district to the
 38 conditions set forth in this article. Before applying for an
 39 emergency apportionment in the amount identified in this
 40 subdivision, the governing board of a school district shall discuss

1 the need for that apportionment at a regular or special meeting of
2 the governing board of the school district and, at that meeting,
3 shall receive testimony regarding the apportionment from parents,
4 exclusive representatives of employees of the school district, and
5 other members of the community. For purposes of this article,
6 “qualifying school district” means a school district that accepts a
7 loan as described in this subdivision.

8 (b) The Superintendent shall assume all the legal rights, duties,
9 and powers of the governing board of a qualifying school district.
10 The Superintendent, in consultation with the county superintendent
11 of schools, shall appoint an administrator to act on his or her behalf
12 in exercising the authority described in this subdivision in
13 accordance with all of the following:

14 (1) The administrator shall serve under the direction and
15 supervision of the Superintendent until terminated by the
16 Superintendent at his or her discretion. The Superintendent shall
17 consult with the county superintendent of schools before
18 terminating the administrator.

19 (2) The administrator shall have recognized expertise in
20 management and finance.

21 (3) To facilitate the appointment of the administrator and the
22 employment of necessary staff, for purposes of this section, the
23 Superintendent is exempt from the requirements of Article 6
24 (commencing with Section 999) of Chapter 6 of Division 4 of the
25 Military and Veterans Code and Part 2 (commencing with Section
26 10100) of Division 2 of the Public Contract Code.

27 (4) Notwithstanding any other law, the Superintendent may
28 appoint an employee of the state or the office of the county
29 superintendent of schools to act as administrator for up to the
30 duration of the administratorship. During the tenure of his or her
31 appointment, the administrator, if he or she is an employee of the
32 state or the office of the county superintendent of schools, is an
33 employee of the qualifying school district, but shall remain in the
34 same retirement system under the same plan that has been provided
35 by his or her employment with the state or the office of the county
36 superintendent of schools. Upon the expiration or termination of
37 the appointment, the employee shall have the right to return to his
38 or her former position, or to a position at substantially the same
39 level as that position, with the state or the office of the county
40 superintendent of schools. The time served in the appointment

1 shall be counted for all purposes as if the administrator had served
2 that time in his or her former position with the state or the office
3 of the county superintendent of schools.

4 (5) Except for an individual appointed as an administrator by
5 the Superintendent pursuant to paragraph (4), the administrator
6 shall be a member of the State Teachers' Retirement System, if
7 qualified, for the period of service as administrator, unless he or
8 she elects in writing not to become a member. A person who is a
9 member or retirant of the State Teachers' Retirement System at
10 the time of appointment shall continue to be a member or retirant
11 of the system for the duration of the appointment. If the
12 administrator chooses to become a member or is already a member,
13 the administrator shall be placed on the payroll of the qualifying
14 school district for purposes of providing appropriate contributions
15 to the system. The Superintendent may also require the
16 administrator to be placed on the payroll of the qualifying school
17 district for purposes of remuneration, other benefits, and payroll
18 deductions.

19 (6) For purposes of workers' compensation benefits, the
20 administrator is an employee of the qualifying school district,
21 except that an administrator appointed pursuant to paragraph (4)
22 may be deemed an employee of the state or office of the county
23 superintendent of schools, as applicable.

24 (7) The qualifying school district shall add the administrator as
25 a covered employee of the qualifying school district for all purposes
26 of errors and omissions liability insurance policies.

27 (8) The salary and benefits of the administrator shall be
28 established by the Superintendent and paid by the qualifying school
29 district.

30 (9) The Superintendent or the administrator may employ, on a
31 short-term basis and at the expense of the qualifying school district,
32 any staff necessary to assist the administrator, including, but not
33 limited to, a certified public accountant.

34 (10) The administrator may do all of the following:

35 (A) Implement substantial changes in the fiscal policies and
36 practices of the qualifying school district, including, if necessary,
37 the filing of a petition under Chapter 9 (commencing with Section
38 901) of Title 11 of the United States Code for the adjustment of
39 indebtedness.

1 (B) Revise the educational program of the qualifying school
2 district to reflect realistic income projections and pupil performance
3 relative to state standards.

4 (C) Encourage all members of the school community to accept
5 a fair share of the burden of the fiscal recovery of the qualifying
6 school district.

7 (D) Consult, for the purposes described in this subdivision, with
8 the governing board of the qualifying school district, the exclusive
9 representatives of the employees of the qualifying school district,
10 parents, and the community.

11 (E) Consult with, and seek recommendations from, the
12 Superintendent, the county superintendent of schools, and the
13 County Office Fiscal Crisis and Management Assistance Team
14 authorized pursuant to subdivision (c) of Section 42127.8 for
15 purposes described in this article.

16 (F) With the approval of the Superintendent, enter into
17 agreements on behalf of the qualifying school district and, subject
18 to any contractual obligation of the qualifying school district,
19 change existing school district rules, regulations, policies, or
20 practices as necessary for the effective implementation of the
21 recovery plans referred to in Sections 41327 and 41327.1.

22 (G) Request the advice and assistance of the California
23 Collaborative for Educational Excellence pursuant to paragraph
24 (1) of subdivision (f) of Section 52074.

25 (c) (1) Except as provided for in paragraph (2), the period of
26 time during which the Superintendent exercises the authority
27 described in subdivision (b), the governing board of the qualifying
28 school district shall serve as an advisory body reporting to the
29 state-appointed administrator, and has no rights, duties, or powers,
30 and is not entitled to any stipend, benefits, or other compensation
31 from the qualifying school district.

32 (2) (A) After one complete fiscal year has elapsed following
33 the qualifying school district's acceptance of an emergency
34 apportionment, the governing board of the qualifying school district
35 may conduct an annual advisory evaluation of an administrator
36 for the duration of the administratorship.

37 (B) An advisory evaluation of an administrator shall focus on
38 the administrator's effectiveness in leading the qualifying school
39 district toward fiscal recovery and improved academic
40 achievement. Advisory evaluation criteria shall be agreed upon

1 by the governing board of the qualifying school district and the
 2 administrator before the advisory evaluation. The advisory
 3 evaluation shall include, but not be limited to, all of the following:

- 4 (i) Goals and standards consistent with Section 41327.1.
- 5 (ii) Commendations in the areas of the administrator’s strengths
 6 and achievements.
- 7 (iii) Recommendations for improving the administrator’s
 8 effectiveness in areas of concern and unsatisfactory performance.

9 (C) An advisory evaluation of an administrator conducted by
 10 the governing board of a qualifying school district shall be
 11 submitted to the Governor, the Legislature, the Superintendent,
 12 and the County Office Fiscal Crisis and Management Assistance
 13 Team.

14 (3) Upon the appointment of an administrator pursuant to this
 15 section, the district superintendent of schools is no longer an
 16 employee of the qualifying school district.

17 (4) A determination of the severance compensation for the
 18 district superintendent of schools shall be made pursuant to
 19 subdivision (j).

20 (d) Notwithstanding Section 35031 or any other law, the
 21 administrator, after according the affected employee reasonable
 22 notice and the opportunity for a hearing, may terminate the
 23 employment of a deputy, associate, assistant superintendent, or
 24 other school district level administrator who is employed by a
 25 qualifying school district under a contract of employment signed
 26 or renewed after January 1, 1992, if the employee fails to
 27 document, to the satisfaction of the administrator, that before the
 28 date of the acceptance of the emergency apportionment he or she
 29 either advised the governing board of the qualifying school district,
 30 or his or her superior, that actions contemplated or taken by the
 31 governing board of the qualifying school district could result in
 32 the fiscal insolvency of the qualifying school district, or took other
 33 appropriate action to avert that fiscal insolvency.

34 (e) The authority of the Superintendent, and the administrator,
 35 under this section shall continue until all of the following occur:

- 36 (1) (A) After one complete fiscal year has elapsed following
 37 the qualifying school district’s acceptance of an emergency
 38 apportionment as described in subdivision (a), the administrator
 39 determines, and so notifies the Superintendent and the county
 40 superintendent of schools, that future compliance by the qualifying

1 school district with the recovery plans approved pursuant to
2 paragraph (2) is probable.

3 (B) The Superintendent may return power to the governing
4 board of the qualifying school district for an area listed in
5 subdivision (a) of Section 41327.1 if performance under the
6 recovery plan for that area has been demonstrated to the satisfaction
7 of the Superintendent.

8 (2) The Superintendent has approved all of the recovery plans
9 referred to in subdivision (a) of Section 41327 and the County
10 Office Fiscal Crisis and Management Assistance Team completes
11 the improvement plans specified in Section 41327.1 and has
12 completed a minimum of two reports identifying the qualifying
13 school district's progress in implementing the improvement plans.

14 (3) The administrator certifies that all necessary collective
15 bargaining agreements have been negotiated and ratified, and that
16 the agreements are consistent with the terms of the recovery plans.

17 (4) The qualifying school district has completed all reports
18 required by the Superintendent and the administrator.

19 (5) The Superintendent determines that future compliance by
20 the qualifying school district with the recovery plans approved
21 pursuant to paragraph (2) is probable.

22 (f) When the conditions stated in subdivision (e) have been met,
23 and at least 60 days after the Superintendent has notified the
24 Legislature, the Department of Finance, the Controller, and the
25 county superintendent of schools that he or she expects the
26 conditions prescribed pursuant to this section to be met, the
27 governing board of the qualifying school district shall regain all
28 of its legal rights, duties, and powers, except for the powers held
29 by the trustee provided for pursuant to Article 2 (commencing with
30 Section 41320). The Superintendent shall appoint a trustee under
31 Section 41320.1 to monitor and review the operations of the
32 qualifying school district until the conditions of subdivision (b)
33 of that section have been met.

34 (g) Notwithstanding subdivision (f), if the qualifying school
35 district violates a provision of the recovery plans approved by the
36 Superintendent pursuant to this article within five years after the
37 trustee appointed pursuant to Section 41320.1 is removed or after
38 the emergency apportionment is repaid, whichever occurs later,
39 or the improvement plans specified in Section 41327.1 during the
40 period of the trustee's appointment, the Superintendent may

1 reassume, either directly or through an administrator appointed in
2 accordance with this section, all of the legal rights, duties, and
3 powers of the governing board of the qualifying school district.
4 The Superintendent shall return to the governing board of the
5 qualifying school district all of its legal rights, duties, and powers
6 reassumed under this subdivision when he or she determines that
7 future compliance with the approved recovery plans is probable,
8 or after a period of one year, whichever occurs later.

9 (h) Article 2 (commencing with Section 41320) shall apply
10 except as otherwise specified in this article.

11 (i) It is the intent of the Legislature that the legislative budget
12 subcommittees annually conduct a review of each qualifying school
13 district that includes an evaluation of the financial condition of the
14 qualifying school district, the impact of the recovery plans upon
15 the qualifying school district's educational program, and the efforts
16 made by the state-appointed administrator to obtain input from the
17 community and the governing board of the qualifying school
18 district.

19 (j) (1) The district superintendent of schools is entitled to a due
20 process hearing for purposes of determining final compensation.
21 The final compensation of the district superintendent of schools
22 shall be between zero and six times his or her monthly salary. The
23 outcome of the due process hearing shall be reported to the
24 Superintendent and the public. The information provided to the
25 public shall explain the rationale for the compensation.

26 (2) This subdivision applies only to a contract for employment
27 negotiated on or after June 21, 2004.

28 (k) (1) When the Superintendent assumes control over a
29 qualifying school district pursuant to subdivision (b), he or she
30 shall, in consultation with the County Office Fiscal Crisis and
31 Management Assistance Team, review the fiscal oversight of the
32 qualifying school district by the county superintendent of schools.
33 The Superintendent may consult with other fiscal experts, including
34 other county superintendents of schools and regional fiscal teams,
35 in conducting this review.

36 (2) Within three months of assuming control over a qualifying
37 school district, the Superintendent shall report his or her findings
38 to the Legislature and shall provide a copy of that report to the
39 Department of Finance. This report shall include findings as to
40 fiscal oversight actions that were or were not taken and may include

1 recommendations as to an appropriate legislative response to
2 improve fiscal oversight.

3 (3) If, after performing the duties described in paragraphs (1)
4 and (2), the Superintendent determines that the county
5 superintendent of schools failed to carry out his or her
6 responsibilities for fiscal oversight as required by this code, the
7 Superintendent may exercise the authority of the county
8 superintendent of schools who has oversight responsibilities for a
9 qualifying school district. If the Superintendent finds, based on
10 the report required in paragraph (2), that the county superintendent
11 of schools failed to appropriately take into account particular types
12 of indicators of financial distress, or failed to take appropriate
13 remedial actions in the qualifying school district, the
14 Superintendent shall further investigate whether the county
15 superintendent of schools failed to take into account those
16 indicators, or similarly failed to take appropriate actions in other
17 school districts with negative or qualified certifications.

18 SEC. 41. Section 41327.2 of the Education Code is amended
19 to read:

20 41327.2. (a) The appointment of an administrator pursuant to
21 Section 41326 does not remove any statutory rights, duties, or
22 obligations from the county superintendent of schools. The county
23 superintendent of schools retains the responsibility to superintend
24 school districts under his or her jurisdiction.

25 (b) The county superintendent of schools shall submit reports
26 to the Superintendent, the appropriate fiscal and policy committees
27 of the Legislature, and the Director of Finance subsequent to review
28 by the county superintendent of schools of the school district's
29 budget and interim reports in accordance with subdivision (d) of,
30 and paragraph (1) of subdivision (f) of, Section 42127, and
31 paragraph (2) of subdivision (a) of, and subdivision (e) of, Section
32 42131. These reports shall document the fiscal and administrative
33 status of the qualifying school district, particularly in regard to the
34 implementation of fiscal and management recovery plans. Each
35 report shall also include a determination of whether the revenue
36 streams to the school district appear to be consistent with its
37 expenditure plan, according to the most recent data available at
38 the time of the report. These reports are required until six months
39 after all rights, duties, and powers are returned to the school district
40 pursuant to this article.

1 SEC. 42. Section 41339 of the Education Code is amended to
2 read:

3 41339. The Superintendent shall certify each apportionment
4 made by him or her under Sections 41332 to 41340, inclusive,
5 whichever are in effect, to the Controller.

6 SEC. 43. Section 42103 of the Education Code is amended to
7 read:

8 42103. (a) The governing board of each school district shall
9 hold a public hearing on the proposed budget in a school district
10 facility, or some other place conveniently accessible to the residents
11 of the school district. The public hearing shall be held any day on
12 or before the date specified for this purpose in subdivision (a) of,
13 or paragraph (3) of subdivision (d) of, Section 42127, but not less
14 than three working days following availability of the proposed
15 budget for public inspection. At the hearing any resident in the
16 school district may appear and object to the proposed budget or
17 any item in the budget.

18 (b) The public hearing required by this section may be concluded
19 on the proposed budget when there are no requests for further
20 hearing on file, and shall be concluded no later than the date
21 specified for this purpose in subdivision (a) of, or paragraph (3)
22 of subdivision (d) of, Section 42127. The budget shall not be finally
23 adopted by the governing board of the school district until after
24 the public hearing has been held.

25 (c) The proposed budget shall show expenditures, cash balances,
26 and all revenues as required to be tabulated in Sections 42122 and
27 42123, and also shall include an estimate of those figures,
28 unaudited, for the preceding fiscal year. In addition, any tax
29 statement submitted by the governing board of the school district
30 pursuant to subdivision (a) of Section 42127, any district tax
31 requirement computed pursuant to subdivision (b) of Section 42127
32 for the school year to which the proposed budget is intended to
33 apply, and any recommendations made by the county
34 superintendent of schools pursuant to subdivision (d) of Section
35 42127 shall be made available by the school district for public
36 inspection in a facility of the school district or in some other place
37 conveniently accessible to residents of the school district.

38 (d) Notification of dates and location or locations at which the
39 proposed budget may be inspected by the public and the date, time,
40 and location of the public hearing on the proposed budget shall be

1 published by the county superintendent of schools in a newspaper
2 of general circulation in the school district or, if there is no
3 newspaper of general circulation in the school district, in any
4 newspaper of general circulation in the county, at least three days
5 before the availability of the proposed budget for public inspection.
6 The publication of the dates and locations shall occur no earlier
7 than 45 days before the final date for the hearing as specified in
8 subdivision (a) of, or paragraph (3) of subdivision (d) of, Section
9 42127, but not less than 10 days before the date set for hearing.
10 The cost of the publication shall be a legal and proper charge
11 against the school district for which the publication is made.

12 SEC. 44. Section 42127.1 of the Education Code is amended
13 to read:

14 42127.1. (a) Pursuant to subdivision (f) of Section 42127,
15 upon the disapproval of a school district budget by the county
16 superintendent of schools, the county superintendent of schools
17 shall call for the formation of a budget review committee unless
18 the governing board of the school district and the county
19 superintendent of schools agree to waive the requirement that a
20 budget review committee be formed, and the department approves
21 the waiver after determining that a budget review committee is
22 not necessary. Upon the grant of a waiver, the county
23 superintendent of schools has the authority and responsibility
24 provided to a budget review committee in Section 42127.3. Upon
25 approving a waiver of the budget review committee, the department
26 shall ensure that a balanced budget is adopted for the school district
27 by December 31.

28 (b) The budget review committee shall be composed of three
29 persons selected by the governing board of the school district from
30 a list of candidates provided to the governing board of the school
31 district by the Superintendent. The list of candidates shall be
32 composed of persons who have expertise in the management of a
33 school district or county office of education. Their experience shall
34 include, but not necessarily be limited to, the fiscal and educational
35 aspects of local educational agency management.

36 (c) Notwithstanding subdivision (b) or any other provision of
37 this article, with the approval of the Superintendent and the
38 governing board of the school district, the county superintendent
39 of schools may select and convene a regional review committee,
40 consisting of persons having the expertise described in subdivision

1 (b). The regional review committee shall operate in place of the
2 budget review committee, in accordance with the provisions of
3 this article governing budget review committees.

4 (d) Members of the committee shall be reimbursed by the
5 department for their services and associated expenses while on
6 official business at rates established by the state board.

7 *SEC. 45. Section 46600 of the Education Code is amended to*
8 *read:*

9 46600. (a) (1) The governing boards of two or more school
10 districts may enter into an agreement, for a term not to exceed five
11 school years, for the interdistrict attendance of pupils who are
12 residents of the *school* districts. The agreement may provide for
13 the admission to a *school* district other than the *school* district of
14 residence of a pupil who requests a permit to attend a school district
15 that is a party to the agreement and that maintains schools and
16 classes in kindergarten or any of grades 1 to 12, inclusive, to which
17 the pupil requests admission. Once a pupil in kindergarten or any
18 of grades 1 to 12, inclusive, is enrolled in a school pursuant to this
19 chapter, the pupil shall not have to reapply for an interdistrict
20 transfer, and the governing board of the school district of
21 enrollment shall allow the pupil to continue to attend the school
22 in which he or she is enrolled, except as specified in paragraphs
23 (2) and (4).

24 (2) The agreement shall stipulate the terms and conditions under
25 which interdistrict attendance shall be permitted or denied. The
26 agreement may contain standards for reapplication agreed to by
27 the *school* district of residence and the *school* district of ~~attendance~~
28 *enrollment* that differ from the requirements prescribed by
29 paragraph (1). The agreement may stipulate terms and conditions
30 established by the *school* district of residence and the *school* district
31 of enrollment under which the permit may be revoked.

32 (3) The supervisor of attendance of the *school* district of
33 residence shall issue an individual permit verifying the *school*
34 district's approval, pursuant to policies of the governing board of
35 *the school district* and terms of the agreement for the transfer. A
36 permit shall be valid upon concurring endorsement by the designee
37 of the governing board of the *school* district of proposed
38 ~~attendance: enrollment~~. The stipulation of the terms and conditions
39 under which the permit may be revoked is the responsibility of the
40 *school* district of ~~attendance: enrollment~~.

1 (4) Notwithstanding paragraph (2), a school district of residence
2 or school district of enrollment shall not rescind existing transfer
3 permits for pupils entering grade 11 or 12 in the subsequent school
4 year.

5 (b) A pupil who has been determined by personnel of either the
6 *school* district of residence or the *school* district of proposed
7 enrollment to have been the victim of an act of bullying, as defined
8 in subdivision (r) of Section 48900, committed by a pupil of the
9 *school* district of residence shall, at the request of the person having
10 legal custody of the pupil, be given priority for interdistrict
11 attendance under any existing interdistrict attendance agreement
12 or, in the absence of an agreement, be given additional
13 consideration for the creation of an interdistrict attendance
14 agreement.

15 (c) In addition to the requirements of subdivision (e) of Section
16 48915.1, and regardless of whether an agreement exists or a permit
17 is issued pursuant to this section, any *school* district may admit a
18 pupil expelled from another *school* district in which the pupil
19 continues to reside.

20 (d) (1) *Notwithstanding any other law, and regardless of*
21 *whether an agreement exists or a permit is issued pursuant to this*
22 *section, a school district of residence shall not prohibit the transfer*
23 *of a pupil who is a child of an active military duty parent to a*
24 *school district of proposed enrollment if the school district of*
25 *proposed enrollment approves the application for transfer.*

26 (2) (A) *For purposes of this subdivision, “active military duty*
27 *parent” means a parent with full-time military duty status in the*
28 *active uniformed service of the United States, including members*
29 *of the National Guard and the State Military Reserve on active*
30 *duty orders pursuant to Chapter 1209 (commencing with Section*
31 *12301) and Chapter 1211 (commencing with Section 12401) of*
32 *Part II of Subtitle E of Title 10 of the United States Code.*

33 (B) *For purposes of this subdivision, “parent” means the natural*
34 *or adoptive parent or guardian of a dependent child.*

35 ~~SEC. 45.~~

36 SEC. 46. Section 47605.1 of the Education Code is amended
37 to read:

38 47605.1. (a) (1) Notwithstanding any other law, a charter
39 school that is granted a charter from the governing board of a
40 school district or county office of education after July 1, 2002, and

1 commences providing educational services to pupils on or after
2 July 1, 2002, shall locate in accordance with the geographic and
3 site limitations of this part.

4 (2) Notwithstanding any other law, a charter school that is
5 granted a charter by the state board after July 1, 2002, and
6 commences providing educational services to pupils on or after
7 July 1, 2002, based on the denial of a petition by the governing
8 board of a school district or county board of education, as described
9 in paragraphs (1) and (2) of subdivision (j) of Section 47605, may
10 locate only within the geographic boundaries of the chartering
11 entity that initially denied the petition for the charter.

12 (3) A charter school that receives approval of its charter from
13 a governing board of a school district, a county office of education,
14 or the state board before July 1, 2002, but does not commence
15 operations until after January 1, 2003, shall be subject to the
16 geographic limitations of this part, in accordance with subdivision
17 (e).

18 (b) This section is not intended to affect the admission
19 requirements contained in subdivision (d) of Section 47605.

20 (c) Notwithstanding any other law, a charter school may
21 establish a resource center, meeting space, or other satellite facility
22 located in a county adjacent to that in which the charter school is
23 authorized if the following conditions are met:

24 (1) The facility is used exclusively for the educational support
25 of pupils who are enrolled in nonclassroom-based independent
26 study of the charter school.

27 (2) The charter school provides its primary educational services
28 in, and a majority of the pupils it serves are residents of, the county
29 in which the charter school is authorized.

30 (d) Notwithstanding subdivision (a) or subdivision (a) of Section
31 47605, a charter school that is unable to locate within the
32 geographic boundaries of the chartering school district may
33 establish one site outside the boundaries of the school district, but
34 within the county within which that school district is located, if
35 the school district in which the charter school proposes to operate
36 is notified in advance of the charter petition approval, the county
37 superintendent of schools is notified of the location of the charter
38 school before it commences operations, and either of the following
39 circumstances exist:

1 (1) The charter school has attempted to locate a single site or
2 facility to house the entire program, but such a facility or site is
3 unavailable in the area in which the charter school chooses to
4 locate.

5 (2) The site is needed for temporary use during a construction
6 or expansion project.

7 (e) (1) For a charter school that was granted approval of its
8 charter before July 1, 2002, and provided educational services to
9 pupils before July 1, 2002, this section only applies to new
10 educational services or schoolsites established or acquired by the
11 charter school on or after July 1, 2002.

12 (2) For a charter school that was granted approval of its charter
13 before July 1, 2002, but did not provide educational services to
14 pupils before July 1, 2002, this section only applies upon the
15 expiration of a charter that is in existence on January 1, 2003.

16 (3) Notwithstanding other implementation timelines in this
17 section, by June 30, 2005, or upon the expiration of a charter that
18 is in existence on January 1, 2003, whichever is later, all charter
19 schools shall be required to comply with this section for schoolsites
20 at which educational services are provided to pupils before or after
21 July 1, 2002, regardless of whether the charter school initially
22 received approval of its charter school petition before July 1, 2002.
23 To achieve compliance with this section, a charter school shall be
24 required to receive approval of a charter petition in accordance
25 with this section and Section 47605.

26 (4) This section is not intended to affect the authority of a
27 governmental entity to revoke a charter that is granted on or before
28 the effective date of this section.

29 (f) A charter school that submits its petition directly to a county
30 board of education, as authorized by Section 47605.5 or 47605.6,
31 may establish charter school operations only within the
32 geographical boundaries of the county in which that county board
33 of education has jurisdiction.

34 (g) Notwithstanding any other law, the jurisdictional limitations
35 set forth in this section do not apply to a charter school that
36 provides instruction exclusively in partnership with any of the
37 following:

38 (1) The federal Workforce Innovation and Opportunity Act (29
39 U.S.C. Sec. 3101 et seq.).

40 (2) Federally affiliated Youth Build programs.

1 (3) Federal job corps training or instruction provided pursuant
2 to a memorandum of understanding with the federal provider.

3 (4) The California Conservation Corps or local conservation
4 corps certified by the California Conservation Corps pursuant to
5 Sections 14507.5 or 14406 of the Public Resources Code.

6 (5) Instruction provided to juvenile court school pupils pursuant
7 to subdivision (b) of Section 42238.18 or pursuant to Section 1981
8 for individuals who are placed in a residential facility.

9 ~~SEC. 46.~~

10 *SEC. 47.* Section 47605.6 of the Education Code is amended
11 to read:

12 47605.6. (a) (1) In addition to the authority provided by
13 Section 47605.5, a county board of education may also approve a
14 petition for the operation of a charter school that operates at one
15 or more sites within the geographic boundaries of the county and
16 that provides instructional services that are not generally provided
17 by a county office of education. A county board of education may
18 approve a countywide charter only if it finds, in addition to the
19 other requirements of this section, that the educational services to
20 be provided by the charter school will offer services to a pupil
21 population that will benefit from those services and that cannot be
22 served as well by a charter school that operates in only one school
23 district in the county. A petition for the establishment of a
24 countywide charter school pursuant to this subdivision may be
25 circulated throughout the county by any one or more persons
26 seeking to establish the charter school. The petition may be
27 submitted to the county board of education for review after either
28 of the following conditions is met:

29 (A) The petition is signed by a number of parents or guardians
30 of pupils residing within the county that is equivalent to at least
31 one-half of the number of pupils that the charter school estimates
32 will enroll in the school for its first year of operation and each of
33 the school districts where the charter school petitioner proposes
34 to operate a facility has received at least 30 days' notice of the
35 petitioner's intent to operate a charter school pursuant to this
36 section.

37 (B) The petition is signed by a number of teachers that is
38 equivalent to at least one-half of the number of teachers that the
39 charter school estimates will be employed at the school during its
40 first year of operation and each of the school districts where the

1 charter school petitioner proposes to operate a facility has received
2 at least 30 days' notice of the petitioner's intent to operate a charter
3 school pursuant to this section.

4 (2) An existing public school shall not be converted to a charter
5 school in accordance with this section.

6 (3) After receiving approval of its petition, a charter school that
7 proposes to establish operations at additional sites within the
8 geographic boundaries of the county board of education shall notify
9 the school districts where those sites will be located. The charter
10 school shall also request a material revision of its charter by the
11 county board of education that approved its charter and the county
12 board of education shall consider whether to approve those
13 additional locations at an open, public meeting, held no sooner
14 than 30 days following notification of the school districts where
15 the sites will be located. If approved, the location of the approved
16 sites shall be a material revision of the school's approved charter.

17 (4) A petition shall include a prominent statement indicating
18 that a signature on the petition means that the parent or guardian
19 is meaningfully interested in having his or her child or ward attend
20 the charter school, or in the case of a teacher's signature, means
21 that the teacher is meaningfully interested in teaching at the charter
22 school. The proposed charter shall be attached to the petition.

23 (b) No later than 60 days after receiving a petition, in accordance
24 with subdivision (a), the county board of education shall hold a
25 public hearing on the provisions of the charter, at which time the
26 county board of education shall consider the level of support for
27 the petition by teachers, parents or guardians, and the school
28 districts where the charter school petitioner proposes to place
29 school facilities. Following review of the petition and the public
30 hearing, the county board of education shall either grant or deny
31 the charter within 90 days of receipt of the petition. However, this
32 date may be extended by an additional 30 days if both parties agree
33 to the extension. A county board of education may impose any
34 additional requirements beyond those required by this section that
35 it considers necessary for the sound operation of a countywide
36 charter school. A county board of education may grant a charter
37 for the operation of a school under this part only if it is satisfied
38 that granting the charter is consistent with sound educational
39 practice and that the charter school has reasonable justification for
40 why it could not be established by petition to a school district

1 pursuant to Section 47605. The county board of education shall
2 deny a petition for the establishment of a charter school if it finds
3 one or more of the following:

4 (1) The charter school presents an unsound educational program
5 for the pupils to be enrolled in the charter school.

6 (2) The petitioners are demonstrably unlikely to successfully
7 implement the program set forth in the petition.

8 (3) The petition does not contain the number of signatures
9 required by subdivision (a).

10 (4) The petition does not contain an affirmation of each of the
11 conditions described in subdivision (e).

12 (5) The petition does not contain reasonably comprehensive
13 descriptions of all of the following:

14 (A) (i) The educational program of the charter school, designed,
15 among other things, to identify those pupils whom the charter
16 school is attempting to educate, what it means to be an “educated
17 person” in the 21st century, and how learning best occurs. The
18 goals identified in that program shall include the objective of
19 enabling pupils to become self-motivated, competent, and lifelong
20 learners.

21 (ii) The annual goals for the charter school for all pupils and
22 for each subgroup of pupils identified pursuant to Section 52052,
23 to be achieved in the state priorities, as described in subdivision
24 (d) of Section 52060, that apply for the grade levels served, or the
25 nature of the program operated, by the charter school, and specific
26 annual actions to achieve those goals. A charter petition may
27 identify additional school priorities, the goals for the school
28 priorities, and the specific annual actions to achieve those goals.

29 (iii) If the proposed charter school will enroll high school pupils,
30 the manner in which the charter school will inform parents
31 regarding the transferability of courses to other public high schools.
32 Courses offered by the charter school that are accredited by the
33 Western Association of Schools and Colleges may be considered
34 to be transferable to other public high schools.

35 (iv) If the proposed charter school will enroll high school pupils,
36 information as to the manner in which the charter school will
37 inform parents as to whether each individual course offered by the
38 charter school meets college entrance requirements. Courses
39 approved by the University of California or the California State
40 University as satisfying their prerequisites for admission may be

1 considered as meeting college entrance requirements for purposes
2 of this clause.

3 (B) The measurable pupil outcomes identified for use by the
4 charter school. “Pupil outcomes,” for purposes of this part, means
5 the extent to which all pupils of the school demonstrate that they
6 have attained the skills, knowledge, and aptitudes specified as
7 goals in the school’s educational program. Pupil outcomes shall
8 include outcomes that address increases in pupil academic
9 achievement both schoolwide and for all groups of pupils served
10 by the charter school, as that term is defined in subparagraph (B)
11 of paragraph (3) of subdivision (a) of Section 47607. The pupil
12 outcomes shall align with the state priorities, as described in
13 subdivision (d) of Section 52060, that apply for the grade levels
14 served, or the nature of the program operated, by the charter school.

15 (C) The method by which pupil progress in meeting those pupil
16 outcomes is to be measured. To the extent practicable, the method
17 for measuring pupil outcomes for state priorities shall be consistent
18 with the way information is reported on a school accountability
19 report card.

20 (D) The location of each charter school facility that the petitioner
21 proposes to operate.

22 (E) The governance structure of the charter school, including,
23 but not limited to, the process to be followed by the charter school
24 to ensure parental involvement.

25 (F) The qualifications to be met by individuals to be employed
26 by the charter school.

27 (G) The procedures that the charter school will follow to ensure
28 the health and safety of pupils and staff. These procedures shall
29 include the requirement that each employee of the charter school
30 furnish it with a criminal record summary as described in Section
31 44237.

32 (H) The means by which the charter school will achieve a racial
33 and ethnic balance among its pupils that is reflective of the general
34 population residing within the territorial jurisdiction of the school
35 district to which the charter petition is submitted.

36 (I) The manner in which annual, independent, financial audits
37 shall be conducted, in accordance with regulations established by
38 the state board, and the manner in which audit exceptions and
39 deficiencies shall be resolved.

1 (J) The procedures by which pupils can be suspended or
2 expelled.

3 (K) The manner by which staff members of the charter school
4 will be covered by the State Teachers' Retirement System, the
5 Public Employees' Retirement System, or federal social security.

6 (L) The procedures to be followed by the charter school and the
7 county board of education to resolve disputes relating to provisions
8 of the charter.

9 (M) Admission requirements of the charter school, if applicable.

10 (N) The public school attendance alternatives for pupils residing
11 within the county who choose not to attend the charter school.

12 (O) The rights of an employee of the county office of education,
13 upon leaving the employment of the county office of education,
14 to be employed by the charter school, and any rights of return to
15 the county office of education that an employee may have upon
16 leaving the employ of the charter school.

17 (P) The procedures to be used if the charter school closes. The
18 procedures shall ensure a final audit of the school to determine the
19 disposition of all assets and liabilities of the charter school,
20 including plans for disposing of any net assets and for the
21 maintenance and transfer of public records.

22 (6) A declaration of whether or not the charter school shall be
23 deemed the exclusive public school employer of the employees of
24 the charter school for purposes of the Educational Employment
25 Relations Act (Chapter 10.7 (commencing with Section 3540) of
26 Division 4 of Title 1 of the Government Code).

27 (7) Any other basis that the county board of education finds
28 justifies the denial of the petition.

29 (c) A county board of education that approves a petition for the
30 operation of a countywide charter may, as a condition of charter
31 approval, enter into an agreement with a third party, at the expense
32 of the charter school, to oversee, monitor, and report to the county
33 board of education on the operations of the charter school. The
34 county board of education may prescribe the aspects of the charter
35 school's operations to be monitored by the third party and may
36 prescribe appropriate requirements regarding the reporting of
37 information concerning the operations of the charter school to the
38 county board of education.

39 (d) (1) Charter schools shall meet all statewide standards and
40 conduct the pupil assessments required pursuant to Section 60605

1 and any other statewide standards authorized in statute or pupil
2 assessments applicable to pupils in noncharter public schools.

3 (2) Charter schools shall on a regular basis consult with their
4 parents and teachers regarding the charter school's educational
5 programs.

6 (e) (1) In addition to any other requirement imposed under this
7 part, a charter school shall be nonsectarian in its programs,
8 admission policies, employment practices, and all other operations,
9 shall not charge tuition, and shall not discriminate against any
10 pupil on the basis of ethnicity, national origin, gender, gender
11 identity, gender expression, or disability. Except as provided in
12 paragraph (2), admission to a charter school shall not be determined
13 according to the place of residence of the pupil, or of his or her
14 parent or guardian, within this state.

15 (2) (A) A charter school shall admit all pupils who wish to
16 attend the charter school.

17 (B) If the number of pupils who wish to attend the charter school
18 exceeds the school's capacity, attendance, except for existing pupils
19 of the charter school, shall be determined by a public random
20 drawing. Preference shall be extended to pupils currently attending
21 the charter school and pupils who reside in the county except as
22 provided for in Section 47614.5. Other preferences may be
23 permitted by the chartering authority on an individual charter
24 school basis and only if consistent with the law.

25 (C) In the event of a drawing, the county board of education
26 shall make reasonable efforts to accommodate the growth of the
27 charter school and in no event shall take any action to impede the
28 charter school from expanding enrollment to meet pupil demand.

29 (f) The county board of education shall not require an employee
30 of the county or a school district to be employed in a charter school.

31 (g) The county board of education shall not require a pupil
32 enrolled in a county program to attend a charter school.

33 (h) The county board of education shall require that the
34 petitioner or petitioners provide information regarding the proposed
35 operation and potential effects of the charter school, including, but
36 not limited to, the facilities to be used by the charter school, the
37 manner in which administrative services of the charter school are
38 to be provided, and potential civil liability effects, if any, upon the
39 charter school, any school district where the charter school may
40 operate, and upon the county board of education. The petitioner

1 or petitioners shall also be required to provide financial statements
2 that include a proposed first-year operational budget, including
3 startup costs, and cashflow and financial projections for the first
4 three years of operation.

5 (i) In reviewing petitions for the establishment of charter schools
6 within the county, the county board of education shall give
7 preference to petitions that demonstrate the capability to provide
8 comprehensive learning experiences to pupils identified by the
9 petitioner or petitioners as academically low achieving pursuant
10 to the standards established by the department under Section 54032,
11 as that section read before July 19, 2006.

12 (j) Upon the approval of the petition by the county board of
13 education, the petitioner or petitioners shall provide written notice
14 of that approval, including a copy of the petition, to the school
15 districts within the county, the Superintendent, and the state board.

16 (k) If a county board of education denies a petition, the petitioner
17 may not elect to submit the petition for the establishment of the
18 charter school to the state board.

19 (l) Teachers in charter schools shall be required to hold a
20 Commission on Teacher Credentialing certificate, permit, or other
21 document equivalent to that which a teacher in other public schools
22 would be required to hold. These documents shall be maintained
23 on file at the charter school and shall be subject to periodic
24 inspection by the chartering authority.

25 (m) A charter school shall transmit a copy of its annual,
26 independent, financial audit report for the preceding fiscal year,
27 as described in subparagraph (I) of paragraph (5) of subdivision
28 (b), to the county office of education, the Controller, and the
29 department by December 15 of each year. This subdivision does
30 not apply if the audit of the charter school is encompassed in the
31 audit of the chartering entity pursuant to Section 41020.

32 ~~SEC. 47.~~

33 *SEC. 48.* Section 47612.1 of the Education Code is amended
34 to read:

35 47612.1. (a) Except for the requirement that a pupil be a
36 California resident, subdivision (b) of Section 47612 shall not
37 apply to a charter school program that provides instruction
38 exclusively in partnership with any of the following:

39 (1) The federal Workforce Innovation and Opportunity Act (29
40 U.S.C. Sec. 3101 et seq.).

1 (2) Federally affiliated Youth Build programs.
2 (3) Federal job corps training or instruction provided pursuant
3 to a memorandum of understanding with the federal provider.

4 (4) The California Conservation Corps or local conservation
5 corps certified by the California Conservation Corps pursuant to
6 Section 14406 or 14507.5 of the Public Resources Code.

7 (b) This section shall become operative on July 1, 2015.

8 ~~SEC. 48.~~

9 *SEC. 49.* Section 48300 of the Education Code is amended to
10 read:

11 48300. For purposes of this article, the following definitions
12 apply:

13 (a) “Active military duty” means full-time military duty status
14 in the active uniformed service of the United States, including
15 members of the National Guard and the State Reserve on active
16 duty orders pursuant to Chapter 1209 (commencing with Section
17 12301) of, and Chapter 1211 (commencing with Section 12401)
18 of, Part II of Subtitle E of Title 10 of the United States Code.

19 (b) “Parent” means the natural or adoptive parent or guardian
20 of a dependent child.

21 (c) “School district of choice” means a school district for which
22 a resolution is in effect as described in subdivision (a) of Section
23 48301.

24 (d) “School district of residence” means the school district that
25 a pupil would be directed by this chapter to attend, except as
26 otherwise provided by this article.

27 ~~SEC. 49.~~

28 *SEC. 50.* Section 49082 of the Education Code is repealed.

29 ~~SEC. 50.~~

30 *SEC. 51.* Section 51781 of the Education Code is amended to
31 read:

32 51781. (a) The department shall prepare, and distribute to
33 school districts, guidelines and plans for the preparation of
34 comprehensive educational programs for the prevention of genetic
35 diseases, disorders, and birth defects, and, in cooperation with
36 those county offices of education that desire to participate, shall
37 assist school districts in developing comprehensive genetic diseases
38 and disorders plans and programs.

39 (b) For the purposes set forth in subdivision (a), the department
40 shall conduct, on an annual basis, at least 25 workshops and

1 training programs for approximately 2,500 school district teams
2 of certified school personnel, using instructional materials,
3 curricula, and guidelines developed by the department for
4 dissemination at training programs conducted during the year.

5 ~~SEC. 51.~~

6 *SEC. 52.* Section 52302.8 of the Education Code is amended
7 to read:

8 52302.8. (a) The Legislature hereby finds and declares that
9 vocational training resources that are provided through regional
10 occupational centers and programs are an essential component of
11 the state's secondary school system and the local system of
12 providing occupational skills training to high school pupils. For
13 this reason, the Legislature finds and declares that these resources
14 should be focused primarily on the needs of pupils enrolled in high
15 school.

16 (b) For the 2008–09 fiscal year, a regional occupational center
17 or program may claim no more than 50 percent of the state-funded
18 average daily attendance for which the center or program is eligible,
19 for services provided to students who are not enrolled in grades 9
20 to 12, inclusive.

21 (c) For the 2009–10 fiscal year, a regional occupational center
22 or program may claim no more than 30 percent of the state-funded
23 average daily attendance for which the center or program is eligible,
24 for services provided to students who are not enrolled in grades 9
25 to 12, inclusive.

26 (d) For the 2011–12 fiscal year and every fiscal year thereafter,
27 a regional occupational center or program may claim no more than
28 10 percent of the state-funded average daily attendance for which
29 the center or program is eligible, for services provided to students
30 who are not enrolled in grades 9 to 12, inclusive, and up to an
31 additional 5 percent for CalWORKs, Temporary Assistance
32 Program, or Job Corps participants and participants under the
33 federal Workforce Innovation and Opportunity Act (29 U.S.C.
34 Sec. 3101 et seq.) who are enrolled in Intensive Training services.

35 (e) Pupils who are CalWORKs, Temporary Assistance Program,
36 or Job Corps participants shall have priority for service within the
37 percentage limits established under subdivision (d).

38 (f) Notwithstanding subdivision (d), a regional occupational
39 center or program may claim more than 15 percent of its average
40 daily attendance for students who are not enrolled in grades 9 to

1 12, inclusive, if all of the students who are not enrolled in grades
2 9 to 12, inclusive, are CalWORKs, Temporary Assistance Program,
3 or Job Corps participants, and if the governing board of the regional
4 occupational center or program does all of the following:

5 (1) Meets with local human services directors, and
6 representatives of adult education programs, community colleges
7 and other institutions of higher education, to assess the needs of
8 CalWORKs, Temporary Assistance Program, or, Job Corps and
9 federal Workforce Innovation and Opportunity Act participants
10 to identify alternative ways to meet the needs of these adult
11 students.

12 (2) Enters into a transition plan, approved by the Superintendent,
13 to become in compliance with subdivision (d) in accordance with
14 benchmarks and timelines established in the transition plan.
15 Transition plans shall be established pursuant to guidelines issued
16 by the department, in consultation with the State Department of
17 Social Services, and shall be resubmitted and reviewed annually.

18 (g) Notwithstanding subdivisions (b), (c), and (d), a regional
19 occupational center or program that claims more than 40 percent
20 of its students are not enrolled in grades 9 to 12, inclusive, on
21 January 1, 2007, shall submit a letter to the Superintendent by July
22 1 of each year until it complies with this subdivision, outlining the
23 goals of the regional occupational center or program to reduce the
24 number of adult students in order to comply with subdivision (d)
25 on or before July 1, 2013.

26 (h) Regional occupational centers and programs operated in a
27 rural county of the sixth, seventh, or eighth class may exceed the
28 number of adults by an additional 10 percent of the limits
29 established in subdivisions (b), (c), and (d).

30 (i) (1) For purposes of this calculation, adult average daily
31 attendance attributable to continuously enrolled grade 12 pupils
32 who have not passed the high school exit examination pursuant to
33 Section 60851 is excluded from the calculation under this section.
34 Amounts that may become available from reductions resulting
35 from the enactment of this section shall be redirected to other
36 regional occupational centers or programs to serve additional
37 secondary pupils.

38 (2) Adult average daily attendance funding for a regional
39 occupational center or program that has entered into a corrective
40 action plan pursuant to subdivision (k) shall not be redirected to

1 other regional occupational centers or programs to serve additional
 2 secondary pupils for up to three years while the regional
 3 occupational center or program is in corrective action.

4 (j) The governing boards of a community college district and a
 5 regional occupational center or program may enter into contractual
 6 agreements under which the center or program provides services
 7 to adult students of the community college district affected by this
 8 section if both of the following are satisfied:

9 (1) The agreements conform to state regulations and audit
 10 requirements jointly developed by the Chancellor of the Office of
 11 the California Community Colleges and the department, in
 12 consultation with, and subject to approval by, the Department of
 13 Finance.

14 (2) A course offered for adults pursuant to an agreement entered
 15 into pursuant to this subdivision is limited to the same cost per
 16 student to the state as if the course were offered at the regional
 17 occupational center or program. This subdivision does not authorize
 18 the apportionment of funds for community colleges for adult
 19 students in excess of the revenue limit for regional occupational
 20 centers or programs if a course is deemed eligible for college credit.

21 (k) A regional occupational center or program that fails to meet
 22 a timeline established under subdivision (c), (d), or (g) shall meet
 23 with the community college, adult education program, or other
 24 adult service to identify alternative means of meeting the needs of
 25 adult students and shall enter into a corrective action plan
 26 administered by the department. The corrective action plan shall
 27 be established pursuant to guidelines issued by the department and
 28 shall be submitted to the department annually for review.

29 ~~SEC. 52.~~

30 *SEC. 53.* Section 52520 of the Education Code is amended to
 31 read:

32 52520. (a) Every vocational or occupational training program
 33 for adults offered by any high school district or unified school
 34 district shall be reviewed every two years by the governing board
 35 to assure that each program does all of the following:

- 36 (1) Meets a documented labor market demand.
- 37 (2) Does not represent unnecessary duplication of other
 38 manpower training programs in the area.
- 39 (3) Is of demonstrated effectiveness as measured by the
 40 employment and completion success of its students.

1 (b) Any program that does not meet the requirements of
2 subdivision (a) and the standards promulgated by the governing
3 board shall be terminated within one year.

4 (c) The review process required by this section shall include
5 the review and comments by the local workforce investment board
6 established pursuant to the federal Workforce Innovation and
7 Opportunity Act (29 U.S.C. Sec. 3101 et seq.), and pursuant to
8 Division 8 (commencing with Section 15000) of the
9 Unemployment Insurance Code, which review and comments shall
10 occur before any decision by the appropriate governing body.

11 ~~SEC. 53.~~

12 *SEC. 54.* Section 56337.5 of the Education Code is amended
13 to read:

14 56337.5. (a) A pupil who is assessed as being dyslexic and
15 meets eligibility criteria specified in Section 56337 and paragraph
16 (10) of subdivision (b) of Section 3030 of Title 5 of the California
17 Code of Regulations for the federal Individuals with Disabilities
18 Education Act (20 U.S.C. Sec. 1400 et seq.) category of specific
19 learning disabilities is entitled to special education and related
20 services.

21 (b) If a pupil who exhibits the characteristics of dyslexia or
22 another related reading dysfunction is not found to be eligible for
23 special education and related services pursuant to subdivision (a),
24 the pupil's instructional program shall be provided in the regular
25 education program.

26 (c) It is the intent of the Legislature that the program guidelines
27 developed pursuant to Section 2 of Chapter 1501 of the Statutes
28 of 1990, for specific learning disabilities, including dyslexia and
29 other related disorders, be available for use by teachers and parents
30 in order for them to have knowledge of the strategies that can be
31 utilized with pupils for the remediation of the various types of
32 specific learning disabilities.

33 ~~SEC. 54.~~

34 *SEC. 55.* Section 56339 of the Education Code is amended to
35 read:

36 56339. (a) A pupil whose educational performance is adversely
37 affected by a suspected or diagnosed attention deficit disorder or
38 attention deficit hyperactivity disorder and demonstrates a need
39 for special education and related services by meeting eligibility
40 criteria specified in paragraph (4) or (9) of subdivision (b) of

1 Section 3030 of Title 5 of the California Code of Regulations or
2 Section 56337 and paragraph (10) of subdivision (b) of Section
3 3030 of Title 5 of the California Code of Regulations for the federal
4 Individuals with Disabilities Education Act (20 U.S.C. Sec. 1400
5 et seq.) categories of “emotional disturbance,” “other health
6 impairments,” or “specific learning disabilities,” is entitled to
7 special education and related services.

8 (b) If a pupil with an attention deficit disorder or attention deficit
9 hyperactivity disorder is not found to be eligible for special
10 education and related services pursuant to subdivision (a), the
11 pupil’s instructional program shall be provided in the regular
12 education program.

13 (c) It is the intent of the Legislature that local educational
14 agencies promote coordination between special education and
15 regular education programs to ensure that all pupils, including
16 those with attention deficit disorders or attention deficit
17 hyperactivity disorders, receive appropriate instructional
18 interventions.

19 (d) It is further the intent of the Legislature that regular
20 education teachers and other personnel be trained to develop an
21 awareness about attention deficit disorders and attention deficit
22 hyperactivity disorders and the manifestations of those disorders,
23 and the adaptations that can be implemented in regular education
24 programs to address the instructional needs of pupils having these
25 disorders.

26 ~~SEC. 55.~~

27 *SEC. 56.* Section 56426.6 of the Education Code is amended
28 to read:

29 56426.6. (a) Early education services shall be provided by a
30 local educational agency through a transdisciplinary team
31 consisting of a group of professionals from various disciplines,
32 agencies, and parents who shall share their expertise and services
33 to provide appropriate services for infants and their families. Each
34 team member shall be responsible for providing and coordinating
35 early education services for one or more infants and their families,
36 and shall serve as a consultant to other team members and as a
37 provider of appropriate related services to other infants in the
38 program.

39 (b) Credentialed personnel with expertise in vision or hearing
40 impairments shall be made available by the local educational

1 agency to early education programs serving infants identified in
2 accordance with paragraph (2), (5), or (13) of subdivision (b) of
3 Section 3030 of Title 5 of the California Code of Regulations, and
4 shall be the primary providers of services under those programs
5 whenever possible.

6 (c) Transdisciplinary teams may include, but need not be limited
7 to, qualified persons from the following disciplines:

8 (1) Early childhood special education.

9 (2) Speech and language therapy.

10 (3) Nursing, with a skill level not less than that of a registered
11 nurse.

12 (4) Social work, psychology, or mental health.

13 (5) Occupational therapy.

14 (6) Physical therapy.

15 (7) Audiology.

16 (8) Parent-to-parent support.

17 (d) A person who is authorized by the local educational agency
18 to provide early education or related services to infants shall have
19 appropriate experience in normal and atypical infant development
20 and an understanding of the unique needs of families of infants
21 with exceptional needs, or, absent that experience and
22 understanding, shall undergo a comprehensive training plan for
23 that purpose, which plan shall be developed and implemented as
24 part of the staff development component of the local plan for early
25 education services.

26 ~~SEC. 56.~~

27 *SEC. 57.* Section 56441.11 of the Education Code is amended
28 to read:

29 56441.11. (a) Notwithstanding any other law or regulation,
30 the special education eligibility criteria in subdivision (b) shall
31 apply to preschool children, between the ages of three and five
32 years.

33 (b) A preschool child, between the ages of three and five years,
34 qualifies as a child who needs early childhood special education
35 services if the child meets the following criteria:

36 (1) Is identified as having one of the following disabling
37 conditions, as defined in Section 300.8 of Title 34 of the Code of
38 Federal Regulations, or an established medical disability, as defined
39 in subdivision (d):

40 (A) Autism.

- 1 (B) Deaf-blindness.
- 2 (C) Deafness.
- 3 (D) Hearing impairment.
- 4 (E) Intellectual disability.
- 5 (F) Multiple disabilities.
- 6 (G) Orthopedic impairment.
- 7 (H) Other health impairment.
- 8 (I) Emotional disturbance.
- 9 (J) Specific learning disability.
- 10 (K) Speech or language impairment in one or more of voice,
- 11 fluency, language and articulation.
- 12 (L) Traumatic brain injury.
- 13 (M) Visual impairment.
- 14 (N) Established medical disability.
- 15 (2) Needs specially designed instruction or services as defined
- 16 in Sections 56441.2 and 56441.3.
- 17 (3) Has needs that cannot be met with modification of a regular
- 18 environment in the home or school, or both, without ongoing
- 19 monitoring or support as determined by an individualized education
- 20 program team.
- 21 (4) Meets eligibility criteria specified in Section 3030 of Title
- 22 5 of the California Code of Regulations.
- 23 (c) A child is not eligible for special education and services if
- 24 the child does not otherwise meet the eligibility criteria and his or
- 25 her educational needs are due primarily to:
- 26 (1) Unfamiliarity with the English language.
- 27 (2) Temporary physical disabilities.
- 28 (3) Social maladjustment.
- 29 (4) Environmental, cultural, or economic factors.
- 30 (d) For purposes of this section, “established medical disability”
- 31 means a disabling medical condition or congenital syndrome that
- 32 the individualized education program team determines has a high
- 33 predictability of requiring special education and services.
- 34 (e) When standardized tests are considered invalid for children
- 35 between the ages of three and five years, alternative means,
- 36 including scales, instruments, observations, and interviews, shall
- 37 be used as specified in the assessment plan.
- 38 (f) In order to implement the eligibility criteria in subdivision
- 39 (b), the Superintendent shall do all of the following:

1 (1) Provide for training in developmentally appropriate practices,
2 alternative assessment, and placement options.

3 (2) Provide a research-based review for developmentally
4 appropriate application criteria for young children.

5 (3) Provide program monitoring for appropriate use of the
6 eligibility criteria.

7 (g) If legislation is enacted mandating early intervention services
8 to infants and toddlers with disabilities pursuant to the federal
9 Individuals with Disabilities Education Act (20 U.S.C. Sec. 1400
10 et seq.), the Superintendent shall reconsider the eligibility criteria
11 for preschool children, between the ages of three and five years,
12 and recommend appropriate changes to the Legislature.

13 ~~SEC. 57.~~

14 *SEC. 58.* Section 56475 of the Education Code is amended to
15 read:

16 56475. (a) The Superintendent and the directors of the State
17 Department of Health Care Services, the State Department of
18 Developmental Services, the State Department of Social Services,
19 the Department of Rehabilitation, the Department of Corrections
20 and Rehabilitation, Division of Juvenile Facilities, and the
21 Employment Development Department shall develop written
22 interagency agreements or adopt joint regulations that include
23 responsibilities, in accordance with Section 1412(a)(12) of Title
24 20 of the United States Code and Section 300.154 of Title 34 of
25 the Code of Federal Regulations, for the provision of special
26 education and related services to individuals with exceptional
27 needs in the State of California.

28 (b) The Superintendent shall develop interagency agreements
29 with other state and local public agencies, as deemed necessary
30 by the Superintendent, to carry out the provisions of state and
31 federal law.

32 ~~SEC. 58.~~

33 *SEC. 59.* Section 60800 of the Education Code is amended to
34 read:

35 60800. (a) During the month of February, March, April, or
36 May, the governing board of each school district maintaining any
37 of grades 5, 7, and 9 shall administer to each pupil in those grades
38 the physical performance test designated by the state board. Each
39 pupil with a physical disability and each pupil who is physically

1 unable to take all of the physical performance test shall be given
 2 as much of the test as his or her condition will permit.

3 (b) Upon request of the department, a school district shall submit
 4 to the department, at least once every two years, the results of its
 5 physical performance testing.

6 (c) Pupils shall be provided with their individual results after
 7 completing the physical performance testing. The test results may
 8 be provided orally as the pupil completes the testing.

9 (d) The governing board of a school district shall report the
 10 aggregate results of its physical performance testing administered
 11 pursuant to this section in its annual school accountability report
 12 card required by Sections 33126 and 35256.

13 ~~SEC. 59.~~

14 *SEC. 60.* Section 60900 of the Education Code is amended to
 15 read:

16 60900. (a) The department shall contract for the development
 17 of proposals that will provide for the retention and analysis of
 18 longitudinal pupil achievement data on the tests administered
 19 pursuant to Chapter 5 (commencing with Section 60600), Chapter
 20 7 (commencing with Section 60810), and Chapter 9 (commencing
 21 with Section 60850). The longitudinal data shall be known as the
 22 California Longitudinal Pupil Achievement Data System.

23 (b) The proposals developed pursuant to subdivision (a) shall
 24 evaluate and determine whether it would be most effective, from
 25 both a fiscal and a technological perspective, for the state to own
 26 the system. The proposals shall additionally evaluate and determine
 27 the most effective means of housing the system.

28 (c) The California Longitudinal Pupil Achievement Data System
 29 shall be developed and implemented in accordance with all state
 30 rules and regulations governing information technology projects.

31 (d) The system or systems developed pursuant to this section
 32 shall be used to accomplish all of the following goals:

33 (1) To provide school districts and the department access to
 34 data necessary to comply with federal reporting requirements
 35 delineated in the federal No Child Left Behind Act of 2001 (20
 36 U.S.C. Sec. 6301 et seq.).

37 (2) To provide a better means of evaluating educational progress
 38 and investments over time.

39 (3) To provide local educational agencies information that can
 40 be used to improve pupil achievement.

1 (4) To provide an efficient, flexible, and secure means of
2 maintaining longitudinal statewide pupil level data.

3 (5) To facilitate the ability of the state to publicly report data,
4 as specified in Section 6401(e)(2)(D) of the federal America
5 COMPETES Act (20 U.S.C. Sec. 9871) and as required by the
6 federal American Recovery and Reinvestment Act of 2009 (Public
7 Law 111-5).

8 (6) To ensure that any data access provided to researchers, as
9 required pursuant to the federal Race to the Top regulations and
10 guidelines is provided, only to the extent that the data access is in
11 compliance with the federal Family Educational Rights and Privacy
12 Act of 1974 (20 U.S.C. Sec. 1232g).

13 (e) In order to comply with federal law as delineated in the
14 federal No Child Left Behind Act of 2001 (20 U.S.C. Sec. 6301
15 et seq.), the local educational agency shall retain individual pupil
16 records for each test taker, including all of the following:

17 (1) All demographic data collected from the California
18 Assessment of Student Performance and Progress (CAASPP), high
19 school exit examination, and English language development tests.

20 (2) Pupil achievement data from assessments administered
21 pursuant to the CAASPP, high school exit examination, and
22 English language development testing programs. To the extent
23 feasible, data should include subscore data within each content
24 area.

25 (3) A unique pupil identification number to be identical to the
26 pupil identifier developed pursuant to the California School
27 Information Services, which shall be retained by each local
28 educational agency and used to ensure the accuracy of information
29 on the header sheets of the CAASPP tests, high school exit
30 examination, and the English language development test.

31 (4) All data necessary to compile reports required by the federal
32 No Child Left Behind Act of 2001 (20 U.S.C. Sec. 6301 et seq.),
33 including, but not limited to, dropout and graduation rates.

34 (5) Other data elements deemed necessary by the
35 Superintendent, with the approval of the state board, to comply
36 with the federal reporting requirements delineated in the federal
37 No Child Left Behind Act of 2001 (20 U.S.C. Sec. 6301 et seq.),
38 and the federal American Recovery and Reinvestment Act of 2009
39 (Public Law 111-5), after review and comment by the advisory
40 board convened pursuant to subdivision (h). Before the

1 implementation of this paragraph with respect to adding data
2 elements to the California Longitudinal Pupil Achievement Data
3 System for the purpose of complying with the federal American
4 Recovery and Reinvestment Act of 2009 (Public Law 111-5), the
5 department and the appropriate postsecondary educational agencies
6 shall submit an expenditure plan to the Department of Finance
7 detailing any administrative costs to the department and costs to
8 any local educational agency, if applicable. The Department of
9 Finance shall provide to the Joint Legislative Budget Committee
10 a copy of the expenditure plan within 10 days of receipt of the
11 expenditure plan from the department.

12 (6) To enable the department, the University of California, the
13 California State University, and the Chancellor of the California
14 Community Colleges to meet the requirements prescribed by the
15 federal American Recovery and Reinvestment Act of 2009 (Public
16 Law 111-5), these entities shall be authorized to obtain quarterly
17 wage data, commencing July 1, 2010, on students who have
18 attended their respective systems, to assess the impact of education
19 on the employment and earnings of those students, to conduct the
20 annual analysis of district-level and individual district or
21 postsecondary education system performance in achieving priority
22 educational outcomes, and to submit the required reports to the
23 Legislature and the Governor. The information shall be provided
24 to the extent permitted by federal statutes and regulations.

25 (f) The California Longitudinal Pupil Achievement Data System
26 shall have all of the following characteristics:

27 (1) The ability to sort by demographic element collected from
28 the CAASPP tests, high school exit examination, and English
29 language development test.

30 (2) The capability to be expanded to include pupil achievement
31 data from multiple years.

32 (3) The capability to monitor pupil achievement on the CAASPP
33 tests, high school exit examination, and English language
34 development test from year to year and school to school.

35 (4) The capacity to provide data to the state and local educational
36 agencies upon their request.

37 (g) Data elements and codes included in the system shall comply
38 with Sections 49061 to 49079, inclusive, and Sections 49602 and
39 56347, with Sections 430 to 438, inclusive, of Title 5 of the
40 California Code of Regulations, with the Information Practices

1 Act of 1977 (Chapter 1 (commencing with Section 1798) of Title
2 1.8 of Part 4 of Division 3 of the Civil Code), and with the federal
3 Family Educational Rights and Privacy Act of 1974 (20 U.S.C.
4 Sec. 1232g), Section 1232h of Title 20 of the United States Code,
5 and related federal regulations.

6 (h) The department shall convene an advisory board consisting
7 of representatives or designees from the state board, the Department
8 of Finance, the State Privacy Ombudsman, the Legislative
9 Analyst's Office, representatives of parent groups, school districts,
10 and local educational agencies, and education researchers to
11 establish privacy and access protocols, provide general guidance,
12 and make recommendations relative to data elements. The
13 department is encouraged to seek representation broadly reflective
14 of the general public of California.

15 (i) This section shall be implemented using federal funds
16 received pursuant to the federal No Child Left Behind Act of 2001
17 (20 U.S.C. Sec. 6301 et seq.), which are appropriated for purposes
18 of this section in Item 6110-113-0890 of Section 2.00 of the Budget
19 Act of 2002 (Chapter 379 of the Statutes of 2002). The release of
20 these funds is contingent on approval of an expenditure plan by
21 the Department of Finance.

22 (j) For purposes of this chapter, a local educational agency shall
23 include a county office of education, a school district, and a charter
24 school.

25 ~~SEC. 60.~~

26 *SEC. 61.* Section 12 of Chapter 525 of the Statutes of 1995 is
27 amended to read:

28 Sec. 12. (a) The State Department of Education shall present
29 to the State Board of Education a plan to implement the
30 recommendations made by the State Department of Education in
31 the Standardized Account Code Structure: A Supplement to the
32 California School Accounting Manual (February 28, 1995, Draft)
33 and in the Plan for Conversion to Standardized Account Code
34 Structure (April 6, 1995) pursuant to Section 3 of Chapter 237 of
35 the Statutes of 1993. The State Department of Education shall
36 implement the structure upon approval of that plan by the State
37 Board of Education. Before fully implementing those
38 recommendations, the standardized account code structure shall
39 be tested and the plan for implementation shall be revised as

1 deemed necessary by the State Department of Education pursuant
2 to the tests.

3 (b) The plan submitted to the State Board of Education pursuant
4 to subdivision (a) to implement the standardized account code
5 structure shall advance the following goals:

6 (1) Upgrading financial transaction software in use by school
7 districts and county offices of education to implement the
8 standardized account code structure.

9 (2) Providing incentives to promote the sharing of financial
10 transaction systems and information among county offices of
11 education and school districts.

12 (3) Facilitating financial information transfer as necessary to
13 facilitate planning by the Legislature with regard to specific
14 financial transactions of California school districts.

15 (4) Providing training services to school districts and county
16 offices of education personnel to upgrade the quality of school
17 district financial practices and information usage.

O