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AMENDED IN ASSEMBLY MAY 27, 1998
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CALIFORNIA LEGISLATURE—1997–98 REGULAR SESSION

ASSEMBLY BILL

No. 1746

**Introduced by Assembly Members Escutia and Havice
(Coauthor: Assembly Member Morrissey)**

February 3, 1998

An act to add Section 52122.2 to the Education Code, relating to class size reduction.

LEGISLATIVE COUNSEL'S DIGEST

AB 1746, as amended, Escutia. Class size reduction: landlocked school districts.

Existing law establishes the Class Size Reduction Program to provide funding to school districts to reduce class size in kindergarten and grades 1 to 3, inclusive, to not more than 20 pupils per certificated teacher.

Existing law establishes 2 options under which a school district may apply to the Superintendent of Public Instruction for funds from the program. Under Option One, a school district that provides a reduced class size for all pupils in each classroom for the full regular schoolday for each grade level may receive an apportionment equal to \$800 per pupil. Under

Option Two, a school district that provides a reduced class size for all pupils in each classroom for at least $\frac{1}{2}$ of the instructional minutes offered per day at each grade level may receive an apportionment equal to \$400 per pupil.

Existing law permits a school district applying to implement the program in the 1997–98 school year to request that a portion of the maximum operating funds for which the district would be eligible if the district met the requirements of Option One be used for facilities-related costs necessary for the establishment of new classes. Existing law limits to \$40,000 the amount of facilities funding a district may receive per new class.

This bill would extend the provision permitting a district to request funding for facilities-related costs necessary for the establishment of new classes to apply to the 1998–99, 1999–2000, and 2000–01 school years, for school districts that are landlocked, as defined. This bill would not apply the \$40,000 limit to the amount of facilities funding a landlocked school district may receive per new class and would instead authorize a landlocked school district to receive funding ~~based on state building area and cost allowances developed by~~ *equal to a certain amount, as adjusted by* the State Allocation Board.

Existing law provides that facilities funding received by a school district is considered a loan to the school district. Under existing law, a school district that meets the requirements of Option One and satisfies all requirements to receive the funds in the 1997–98 school year is not required to repay the loan.

This bill would provide that a landlocked school district that satisfies the requirements of Option One for at least 3 of the 4 grades participating in the Class Size Reduction Program, and satisfies the requirements of Option One or Option Two for the remaining participating grade, by July 1, 2001, would not be required to repay the loan.

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 52122.2 is added to the
2 Education Code, to read:

3 52122.2. (a) This section shall only apply to
4 landlocked school districts. For purposes of this section, a
5 “landlocked school district” means a school district in
6 which one or more of the attendance areas in the district
7 are landlocked schoolsites and the cost of land is more
8 than 150 percent of the statewide average cost per acre
9 for schoolsites for classrooms for ~~students~~ *pupils* in
10 kindergarten through 6th grade. A “landlocked
11 schoolsite” means a schoolsite that has more than 120
12 ~~students~~ *pupils* per acre and is not adjacent to an
13 attendance area, as defined in Section 17041, that has
14 available classroom space for ~~students in kindergarten~~
15 ~~through 6th grade.~~ *pupils in kindergarten and grades 1 to*
16 *6, inclusive. The number of pupils per acre shall be*
17 *calculated based on the net usable number of acres of the*
18 *schoolsites, including land used for playgrounds, buildings,*
19 *parking, and other uses directly related to the operation*
20 *of the schoolsite.*

21 (b) A landlocked school district applying to
22 implement the Class Size Reduction Program in
23 additional classes in the 1998–99, 1999–2000, or 2000–01
24 school year may request that a portion of the maximum
25 operating funds for which the school district would be
26 eligible if fully reducing class size in kindergarten and in
27 grades 1 to 3, inclusive, pursuant to subparagraph (A) of
28 paragraph (2) of subdivision (b) of Section 52122, be used
29 for facilities-related costs necessary for new classes
30 established under this program beyond those established
31 in the previous school year.

32 (c) (1) An application made pursuant to this section,
33 the form of which shall be developed by the
34 Superintendent of Public Instruction not later than
35 February 1, 1999, shall be submitted by each school
36 district that elects to apply for funding pursuant to this
37 section. A school district that applies for funding pursuant
38 to this section for the 1998–99 school year shall submit the



1 application not later than April 1, 1999. A school district
2 that applies for funding pursuant to this section for the
3 1999–2000 or 2000–01 school year shall submit the
4 application not later than 90 days after the Budget Act of
5 ~~that the~~ first calendar year of ~~the~~ *that* school year is
6 chaptered.

7 (2) *Nothing in this chapter shall preclude a school*
8 *district from submitting an application for more than one*
9 *attendance area, as defined in Section 17041. If a school*
10 *district submits an application for an attendance area,*
11 *funding shall be allocated pursuant to subdivision (e)*
12 *based only on the attendance area for which the*
13 *application was submitted, rather than the school district*
14 *as a whole.*

15 (d) A school district requesting funds shall certify the
16 following:

17 (1) In 1997–98, the school district received or was
18 eligible to receive funding for the Class Size Reduction
19 Program established pursuant to Chapter 19
20 (commencing with Section 17200) of Part 10.

21 (2) The school district will use any funds received
22 pursuant to this section solely for the purpose of class size
23 reduction facilities ~~at~~ *for pupils attending* a landlocked
24 schoolsite or on land ~~acquired by a landlocked schoolsite~~
25 ~~or in the attendance area of a landlocked schoolsite for~~
26 ~~pupils attending the~~ *acquired to house pupils attending*
27 *a landlocked schoolsite.*

28 (e) (1) A school district requesting funds for facilities
29 pursuant to this section is eligible to receive funding
30 ~~equal to state building area and cost allowances~~
31 ~~developed by the State Allocation Board under the Leroy~~
32 ~~F. Greene State School Building Lease Purchase Law of~~
33 ~~1976, for each new teaching station that is needed to be~~
34 ~~established for the purpose of expanding the Class Size~~
35 ~~Reduction Program in the 1998–99, 1999–2000, or 2000–01~~
36 ~~school year beyond the number of new classes established~~
37 ~~in the previous school year pursuant to subparagraph (A)~~
38 ~~of paragraph (2) of subdivision (b) of Section 52122. This~~
39 ~~equal to the per pupil amount established pursuant to~~
40 ~~subdivision (e) of Section 42263, as adjusted by the State~~



1 *Allocation Board as of the effective date of the act*
2 *enacting this section. A school district may spend these*
3 *funds for any facility related costs of class size reduction,*
4 *including land acquisition and development. This*
5 *funding shall be in addition to any funding allocated for*
6 *site acquisition.*

7 (2) The maximum amount of funds a school district
8 may receive for both operation funds, pursuant to
9 subparagraphs (A) and (B) of paragraph (2) of
10 subdivision (b) of Section 52122, and facility funds,
11 *including funds for site acquisition and development,*
12 *provided by this section, is limited to the number of*
13 *students pupils in kindergarten through grades 1 to 3,*
14 *inclusive, multiplied by the Option One stipend specified*
15 *in Section 52126. The maximum net usable land area that*
16 *may be acquired pursuant to this section shall not exceed*
17 *59 square feet per pupil eligible for funding pursuant to*
18 *this paragraph.*

19 (3) The maximum initial apportionment for
20 facilities-related costs available to a school district under
21 this section shall be calculated as follows:

22 (A) Multiply the district's certified enrollment in
23 kindergarten and grades 1 to 3, inclusive, as of October of
24 the previous school year by the per pupil stipend
25 established in subdivision (a) of Section 52126.

26 (B) Subtract from the amount determined in
27 subparagraph (A) the product of the number of pupils
28 the district certifies will be in a class that satisfies the
29 provisions of subparagraph (A) of paragraph (2) of
30 subdivision (b) of Section 52122 during the school year in
31 which an application is made pursuant to this section
32 times the per pupil stipend for the school year in which
33 an application is made pursuant to this section as set forth
34 in subdivisions (a) and (c) of Section 52126.

35 (C) Subtract from the amount determined in
36 subparagraph (B) the product of the number of pupils
37 the district certifies will be in a class that satisfies
38 subparagraph (B) of paragraph (2) of subdivision (b) of
39 Section 52122 during the school year in which an
40 application is made pursuant to this section times the per



1 pupil stipend for the school year in which an application
2 is made pursuant to this section as set forth in subdivisions
3 (b) and (d) of Section 52126.

4 (D) Pupils in classes for which Option One funding is
5 received pursuant to Sections 52122.6, 52122.7, and
6 52122.8 shall be considered to be receiving Option One
7 funding for purposes of this section. Nothing in this
8 section shall allow a school district to receive funding for
9 a pupil or class pursuant to this section in addition to
10 receiving funding for a pupil or class pursuant to Sections
11 52122.6, 52122.7, and 52122.8.

12 (4) If, by June 30 of the second calendar year of the
13 school year or by a later date specified in a statute, the
14 State Department of Education determines that the
15 school district was eligible to receive facilities grants in
16 excess of the number of facilities grants actually received
17 in the 1998–99, 1999–2000, or 2000–01 school year, the
18 department may award additional grants to the school
19 district, to the extent that the funds are available for this
20 purpose. To determine if funds are available to a school
21 district for this purpose, the department shall use the
22 calculations in subparagraphs (A) to (C), inclusive, of
23 paragraph (2), but adjusted for actual implementation of
24 the Class Size Reduction Program and yearend
25 enrollment.

26 (f) The funds allocated pursuant to this section shall be
27 considered to be a loan to the school district receiving the
28 funds. The following loan repayment provisions shall
29 apply to all allocations made pursuant to this section:

30 (1) If the school district has satisfied the following
31 requirements by July 1, 2001, for all classes for which it
32 received facilities funding pursuant to this section, as
33 determined by the State Department of Education, the
34 school district shall not be required to repay the loan:

35 (A) The school district has satisfied the requirements
36 of subparagraph (A) of paragraph (2) of subdivision (b)
37 of Section 52122 for at least three of the four grade levels
38 to which the Class Size Reduction Program applies.

39 (B) The school district has satisfied the requirements
40 of subparagraph (A) or subparagraph (B) of paragraph



1 (2) of subdivision (b) of Section 52122 for the remaining
2 grade level to which the Class Size Reduction Program
3 applies.

4 (2) If a school district receives funding pursuant to this
5 section, but has not satisfied the requirements of
6 paragraph (1) for all classes for which it received facilities
7 funds, the Superintendent of Public Instruction shall
8 notify the Controller and school district in writing, and
9 the Controller shall deduct an amount equal to the
10 portion of the total loan amount received by the school
11 district under this subdivision for the classes that the
12 school district failed to reduce the size to 20 or fewer
13 pupils pursuant to the provisions of subparagraph (A) of
14 paragraph (2) of subdivision (b) of Section 52122, from
15 the school district's next principal apportionment or
16 apportionments of state funds to the school district, other
17 than basic aid apportionments required by Section 6 of
18 Article IX of the California Constitution.

19 (g) Funds allocated to school districts pursuant to this
20 section shall be expended solely for the purpose of
21 facilities-related costs associated with the
22 implementation of the Class Size Reduction Program
23 contained in this chapter.

24 (h) Funds shall not be allocated to school districts
25 pursuant to this section for the purpose of assisting school
26 districts in implementing Option Two, as set forth in
27 subparagraph (B) of paragraph (2) of subdivision (b) of
28 Section 52122.

29 (i) Nothing in this section shall be construed as
30 precluding school districts from fully implementing class
31 size reduction in kindergarten and grades 1 to 3, inclusive.

32 (j) It is the intent of the Legislature that, for each new
33 teaching station a school district establishes for the
34 purpose of class size reduction for which the school
35 district did not receive a facilities grant under this section
36 or any previous appropriation for this purpose, the school
37 district shall be eligible for facilities funding from any
38 state general obligation bond measure approved for that
39 purpose.

1 (k) For purposes of this section, any reference to
2 school districts shall be deemed to include any charter
3 school.

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