

AMENDED IN ASSEMBLY APRIL 27, 2010

AMENDED IN ASSEMBLY APRIL 6, 2010

CALIFORNIA LEGISLATURE—2009–10 REGULAR SESSION

ASSEMBLY BILL

No. 2366

Introduced by Assembly Member Brownley

February 19, 2010

An act to amend Sections 42238, 42238.485, and 42241.2 of the Education Code, relating to education finance.

LEGISLATIVE COUNSEL'S DIGEST

AB 2366, as amended, Brownley. Education finance: revenue limits.

Existing law requires the county superintendent of schools to determine a revenue limit for each school district in the county pursuant to a specified formula based on the base revenue limit of the school district for the prior year, adjusted for inflation, and the average daily attendance for the entire school district. Existing law requires the base revenue limit for each school district for the 2011–12 fiscal year to include an adjustment computed as specified and related to funding incentives to increase beginning teachers' salaries and funding for meals for needy pupils programs. Existing law requires the Superintendent of Public Instruction to calculate the amount of this adjustment for each school district, as specified.

This bill would defer until the 2013–14 fiscal year that portion of the 2011–12 fiscal year adjustment related to funding for ~~meals for needy pupils~~ *Meals for Needy Pupils* programs.

Existing law authorizes, until July 1, 2010, an adjustment of the revenue limit of a school district to reflect funding for meals for needy pupils programs.

This bill would extend this authorization until July 1, 2013.

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 42238 of the Education Code is amended
2 to read:
3 42238. (a) For the 1984–85 fiscal year and each fiscal year
4 thereafter, the county superintendent of schools shall determine a
5 revenue limit for each school district in the county pursuant to this
6 section.
7 (b) The base revenue limit for a fiscal year shall be determined
8 by adding to the base revenue limit for the prior fiscal year the
9 following amounts:
10 (1) The inflation adjustment specified in Section 42238.1.
11 (2) For the 1995–96 fiscal year, the equalization adjustment
12 specified in Section 42238.4.
13 (3) For the 1996–97 fiscal year, the equalization adjustments
14 specified in Sections 42238.41, 42238.42, and 42238.43.
15 (4) For the 1985–86 fiscal year, the amount received per unit
16 of average daily attendance in the 1984–85 fiscal year pursuant to
17 Section 42238.7.
18 (5) For the 1985–86, 1986–87, and 1987–88 fiscal years, the
19 amount per unit of average daily attendance received in the prior
20 fiscal year pursuant to Section 42238.8.
21 (6) For the 2004–05 fiscal year, the equalization adjustment
22 specified in Section 42238.44.
23 (7) For the 2006–07 fiscal year, the equalization adjustment
24 specified in Section 42238.48.
25 (8) For the 2011–12 fiscal year, the equalization adjustment
26 specified in Section 42238.49.
27 (c) (1) (A) For the 2010–11 fiscal year, the Superintendent
28 shall compute an add-on for each school district by multiplying
29 the sum of 1 plus the percentage change determined pursuant to
30 subdivision (b) of Section 42238.1 by the adjustment specified in
31 subdivision (a) of Section 42238.485.
32 (B) For the 2011–12 and ~~2012~~ 2012–13 fiscal years, the
33 Superintendent shall compute an add-on for each school district
34 by multiplying the sum of 1 plus the percentage change determined

1 pursuant to subdivision (b) of Section 42238.1 by the amount
2 computed pursuant to this paragraph for the prior fiscal year.

3 (C) For the 2013–14 fiscal year, the Superintendent shall
4 compute an add-on for each school district by adding the amount
5 computed pursuant to this paragraph for the prior fiscal year to the
6 adjustment specified in subdivision (b) of Section 42238.485 and
7 multiplying that sum by the sum of 1 plus the percentage change
8 determined pursuant to subdivision (b) of Section 42238.1.

9 (D) For the 2014–15 fiscal year and each fiscal year thereafter,
10 the Superintendent shall compute an add-on for each school district
11 by multiplying the sum of 1 plus the percentage change determined
12 pursuant to subdivision (b) of Section 42238.1 by the amount
13 computed pursuant to this paragraph for the prior fiscal year.

14 (2) Commencing with the 2010–11 fiscal year, the
15 Superintendent shall compute an add-on for each school district
16 by dividing each school district's fiscal year average daily
17 attendance computed pursuant to Section 42238.5 by the total
18 adjustments in funding for each district made for the 2007–08
19 fiscal year pursuant to Section 42238.22 as it read on January 1,
20 2009.

21 (d) The sum of the base revenue limit computed pursuant to
22 subdivision (b) and the add-on computed pursuant to subdivision
23 (c) shall be multiplied by the district average daily attendance
24 computed pursuant to Section 42238.5.

25 (e) For districts electing to compute units of average daily
26 attendance pursuant to paragraph (2) of subdivision (a) of Section
27 42238.5, the amount computed pursuant to Article 4 (commencing
28 with Section 42280) shall be added to the amount computed in
29 subdivision (c) or (d), as appropriate.

30 (f) For the 1984–85 fiscal year only, the county superintendent
31 shall reduce the total revenue limit computed in this section by the
32 amount of the decreased employer contributions to the Public
33 Employees' Retirement System resulting from enactment of
34 Chapter 330 of the Statutes of 1982, offset by any increase in those
35 contributions, as of the 1983–84 fiscal year, resulting from
36 subsequent changes in employer contribution rates.

37 (g) The reduction required by subdivision (f) shall be calculated
38 as follows:

39 (1) Determine the amount of employer contributions that would
40 have been made in the 1983–84 fiscal year if the applicable Public

1 Employees' Retirement System employer contribution rate in effect
2 immediately prior to the enactment of Chapter 330 of the Statutes
3 of 1982 was in effect during the 1983–84 fiscal year.

4 (2) Subtract from the amount determined in paragraph (1) the
5 greater of subparagraph (A) or (B):

6 (A) The amount of employer contributions that would have been
7 made in the 1983–84 fiscal year if the applicable Public
8 Employees' Retirement System employer contribution rate in effect
9 immediately after the enactment of Chapter 330 of the Statutes of
10 1982 was in effect during the 1983–84 fiscal year.

11 (B) The actual amount of employer contributions made to the
12 Public Employees' Retirement System in the 1983–84 fiscal year.

13 (3) For purposes of this subdivision, employer contributions to
14 the Public Employees' Retirement System for either of the
15 following shall be excluded from the calculation specified above:

16 (A) Positions supported totally by federal funds that were subject
17 to supplanting restrictions.

18 (B) Positions supported, to the extent of employer contributions
19 not exceeding twenty-five thousand dollars (\$25,000) by a single
20 educational agency, from a revenue source determined on the basis
21 of equity to be properly excludable from the provisions of this
22 subdivision by the Superintendent with the approval of the Director
23 of Finance.

24 (4) For accounting purposes, the reduction made by this
25 subdivision may be reflected as an expenditure from appropriate
26 sources of revenue as directed by the Superintendent.

27 (h) The Superintendent shall apportion to each school district
28 the amount determined in this section less the sum of:

29 (1) The district's property tax revenue received pursuant to
30 Chapter 3 (commencing with Section 75) and Chapter 6
31 (commencing with Section 95) of Part 0.5 of Division 1 of the
32 Revenue and Taxation Code.

33 (2) The amount, if any, received pursuant to Part 18.5
34 (commencing with Section 38101) of Division 1 of the Revenue
35 and Taxation Code.

36 (3) The amount, if any, received pursuant to Chapter 3
37 (commencing with Section 16140) of Division 4 of Title 2 of the
38 Government Code.

39 (4) Prior years' taxes and taxes on the unsecured roll.

1 (5) Fifty percent of the amount received pursuant to Section
2 41603.

3 (6) The amount, if any, received pursuant to the Community
4 Redevelopment Law (Part 1 (commencing with Section 33000)
5 of Division 24 of the Health and Safety Code), except for any
6 amount received pursuant to Section 33401 or 33676 of the Health
7 and Safety Code that is used for land acquisition, facility
8 construction, reconstruction, or remodeling, or deferred
9 maintenance, except for any amount received pursuant to Section
10 33492.15 of, paragraph (4) of subdivision (a) of Section 33607.5
11 of, or Section 33607.7 of, the Health and Safety Code that is
12 allocated exclusively for educational facilities.

13 (7) For a unified school district, other than a unified school
14 district that has converted all of its schools to charter status
15 pursuant to Section 47606, the amount of statewide average
16 general-purpose funding per unit of average daily attendance
17 received by school districts for each of four grade level ranges, as
18 computed by the department pursuant to Section 47633, multiplied
19 by the average daily attendance, in corresponding grade level
20 ranges, of any pupils who attend charter schools funded pursuant
21 to Chapter 6 (commencing with Section 47630) of Part 26.8 of
22 Division 4 for which the district is the sponsoring local educational
23 agency, as defined in Section 47632, and who reside in and would
24 otherwise have been eligible to attend a noncharter school of the
25 district.

26 (i) A transfer of pupils of grades 7 and 8 between an elementary
27 school district and a high school district shall not result in the
28 receiving district receiving a revenue limit apportionment for those
29 pupils that exceeds 105 percent of the statewide average revenue
30 limit for the type and size of the receiving school district.

31 SEC. 2. Section 42238.485 of the Education Code is amended
32 to read:

33 42238.485. (a) For the 2010–11 fiscal year, the Superintendent
34 shall compute an adjustment for each school district by dividing
35 each school district's 2007–08 fiscal year average daily attendance
36 into funding incentives to increase beginning teachers' salaries
37 received by the school district for the 2007–08 fiscal year pursuant
38 to Sections 45023.1 and 45023.4, as those sections read on January
39 1, 2009.

(b) For the 2013–14 fiscal year, the Superintendent shall compute an adjustment for each school district by dividing each school district’s 2007–08 fiscal year average daily attendance into the funding for ~~meals for needy pupils~~ *Meals for Needy Pupils* programs received by the school district for the 2007–08 fiscal year pursuant to Section 42241.2, as it read on January 1, 2012.

(c) For purposes of this section, average daily attendance shall be computed pursuant to Section 42238.5.

(d) Notwithstanding any other provision of this section, no funding specified in this section shall be added to the adjustment computed pursuant to subdivision (a) or (b) if that funding is currently included in a school district’s base revenue limit calculated pursuant to Section 42238.

SEC. 3. Section 42241.2 of the Education Code is amended to read:

42241.2. (a) A school district may add, in the computation of the district’s revenue limit pursuant to Section 42238 for the current fiscal year, the amount computed in the preceding fiscal year for Meals for Needy Pupils programs (Article 11 (commencing with Section 49550) of Chapter 9 of Part 27 of Division 4) multiplied by 1.06, except that, commencing with the 1990–91 fiscal year, that amount instead shall be multiplied by the sum of 1 plus the percentage change determined pursuant to subdivision (b) of Section 42238.1.

(b) This section shall remain in effect only until July 1, 2013, and, as of January 1, 2014, is repealed, unless a later enacted statute, that is enacted before January 1, 2014, deletes or extends that date.