

May Revision

Amendments to Education Omnibus Trailer Bill (RN 17 12318)

Incremental changes to the Governor's Budget proposal are highlighted in bold font.

Allow Eligibility for Part-Day State Preschool for Children with Exceptional Needs

Education Code Section 8235 is amended to read:

8235. (a) The Superintendent shall administer all California state preschool programs. Those programs shall include, but not be limited to, part-day age and developmentally appropriate programs designed to facilitate the transition to kindergarten for three- and four-year-old children in educational development, health services, social services, nutritional services, parent education and parent participation, evaluation, and staff development. Preschool programs for which federal reimbursement is not available shall be funded as prescribed by the Legislature in the Budget Act, and unless otherwise specified by the Legislature, shall not use federal funds made available through Title XX of the federal Social Security Act (42 U.S.C. Sec. 1397).

(b) Three- and four-year-old children are eligible for the part-day California state preschool program if the family meets at least one of the criteria specified in paragraph (1) of subdivision (a) of Section 8263.

(c) Notwithstanding any other law, a part-day California state preschool program may provide services to children in families whose income is no more than 15 percent above the income eligibility threshold, as described in Sections 8263 and 8263.1, after all eligible three- and four-year-old children have been enrolled. No more than 10 percent of children enrolled, calculated throughout the participating program's entire contract, may be filled by children in families above the income eligibility threshold.

(d) Notwithstanding any other law, **after all otherwise eligible children have been enrolled, a part-day California state preschool program may provide services to three- and four-year old children in families whose income is above the income eligibility threshold if those children have been identified as "children with exceptional needs" pursuant to subdivision (l) of Section 8208. Children receiving services pursuant to this subdivision shall not count towards the 10-percent limit of children from families above the income eligibility threshold as specified in subsection (c).**

~~(d)~~ (e) A part-day California state preschool program shall operate for a minimum of (1) three hours per day, excluding time for home-to-school transportation, and (2) a minimum of 175 days per year, unless the contract specifies a lower number of days of operation.

~~(e)~~ (f) Any agency described in subdivision (c) of Section 8208 as an "applicant or contracting agency" is eligible to contract to operate a California state preschool program.

(f) (g) Part-day preschool services shall be reimbursed on a per capita basis, as determined by the Superintendent, and contingent on funding being provided for the part-day preschool services in the annual Budget Act.

~~(g)~~ (h) Federal Head Start funds used to provide services to families receiving California state preschool services shall be deemed nonrestricted funds.

Rescind Adult-to-Student Ratios and Teacher Ratio and Teacher Education Requirements for Child Care Programs

Eliminate proposed amendments to Section 8264.8 of the Education Code.

Allow Flexibility in Adult-to-Student Ratios and Teacher Education Requirements for Child Care Programs

Section 8264.9 of the Education Code is added to read: (New for May Revision)

8264.9. (a) Commencing July 1, 2017, the adult-to-student ratio for part-day State Preschool programs shall be, at a minimum, either:

(1) In a classroom led by a permitted teacher, as defined by EC 8208(af)—1:8 adult-child ratio, 1:24 teacher-child ratio, maximum group size of 24 students.

(2) In a classroom led by a teacher authorized to provide instruction in transitional kindergarten classroom and meets the TK teaching requirements pursuant to EC 48000(g) —1:12 adult-child ratio, 1:24 teacher-child ratio, maximum group size of 24 students.

(b) (3) Part-day State Preschool programs certified at a Tier 4 or higher on their local Quality Rating and Improvement System matrix, pursuant to Section 8203.1, shall not be subject to adult-to-student ratios beyond what is required to maintain a Tier 4 or higher rating.

State Preschool Reimbursement Rate Adjustment

Sections 8265 of the Education Code is amended to read:

8265. (a) The Superintendent shall implement a plan that establishes reasonable standards and assigned reimbursement rates, which vary with the length of the program year and the hours of service.

(1) Parent fees shall be used to pay reasonable and necessary costs for providing additional services.

(2) When establishing standards and assigned reimbursement rates, the Superintendent shall confer with applicant agencies.

(3) The reimbursement system, including standards and rates, shall be submitted to the Joint Legislative Budget Committee.

(4) The Superintendent may establish any regulations he or she deems advisable concerning conditions of service and hours of enrollment for children in the programs.

(b) ~~Until December 31, 2016, the standard reimbursement rate shall be nine thousand five hundred seventy-two dollars and fifty cents (\$9,572.50) per unit of average daily enrollment for a 250-day year. Commencing January July 1, 2017, the standard reimbursement rate shall be ten thousand five hundred twenty-nine dollars and seventy-five cents (\$10,529.75) fifty dollars (\$10,050.00) eleven thousand three hundred sixty dollars (\$11,360)~~ and, commencing with the ~~2017-18~~ ~~2018-19~~ ~~2017-18~~ fiscal year, shall be increased by the cost-of-living adjustment granted by the Legislature annually pursuant to Section 42238.15. ~~Until December 31, 2016, the full-day state preschool reimbursement rate shall be nine thousand six hundred thirty-two dollars and fifty cents (\$9,632.50) per unit of average daily enrollment for a 250-day year. Commencing January July 1, 2017, the full-day state preschool reimbursement rate shall be ten thousand five hundred ninety-five dollars and seventy-five cents (\$10,595.75) one-hundred fifteen dollars (\$10,145) eleven thousand four hundred thirty-two dollars and fifty cents (\$11,432.50)~~ and, commencing with the ~~2017-18~~ ~~2018-19~~ ~~2017-18~~ fiscal year, shall be increased by the cost-of-living adjustment granted by the Legislature annually pursuant to Section 42238.15 It is the intent of the Legislature to further increase the standard reimbursement rate through the ~~2018-19~~ ~~2019-20~~ ~~2018-19~~ fiscal year to reflect increased costs to providers resulting from increases in the state minimum wage.

- (c) The plan shall require agencies having an assigned reimbursement rate above the current year standard reimbursement rate to reduce costs on an incremental basis to achieve the standard reimbursement rate.
- (d) (1) The plan shall provide for adjusting reimbursement on a case-by-case basis, in order to maintain service levels for agencies currently at a rate less than the standard reimbursement rate. Assigned reimbursement rates shall be increased only on the basis of one or more of the following:
- (A) Loss of program resources from other sources.
 - (B) Need of an agency to pay the same child care rates as those prevailing in the local community.
 - (C) Increased costs directly attributable to new or different regulations.
 - (D) Documented increased costs necessary to maintain the prior year's level of service and ensure the continuation of threatened programs.
- (2) Child care agencies funded at the lowest rates shall be given first priority for increases.
- (e) The plan shall provide for expansion of child development programs at no more than the standard reimbursement rate for that fiscal year.
- (f) The Superintendent may reduce the percentage of reduction for a public agency that satisfies any of the following:
- (1) Serves more than 400 children.
 - (2) Has in effect a collective bargaining agreement.
 - (3) Has other extenuating circumstances that apply, as determined by the Superintendent.

Child Care Reimbursement Rate Adjustment

Section 8357 of the Education Code is amended to read:

8357. (a) The cost of child care services provided under this article shall be governed by regional market rates. Recipients of child care services provided pursuant to this article shall be allowed to choose the child care services of licensed child care providers or child care providers who are, by law, not required to be licensed, and the cost of that child care shall be reimbursed by counties or agencies that contract with the department if the cost is within the regional market rate. For purposes of this section, "regional market rate" means care costing no more than 1.5 market standard deviations above the mean cost of care for that region. It is the intent of the Legislature to reimburse child care providers at the 85th percentile of the most recent regional market rate survey. It is also the intent of the Legislature to update the regional market rate ceilings with each new regional market rate survey, based on available funding, and to further increase the regional market rate ceilings through the ~~2018-19~~ **2019-20 2018-19** fiscal year to reflect increased costs to providers resulting from increases in the state minimum wage.
- ~~(b) Until December 31, 2016, the regional market rate ceilings shall be established at 104.5 percent of the greater of either of the following:~~
- ~~(1) The 85th percentile of the 2009 regional market rate survey for that region, reduced by 10.14 percent.~~
 - ~~(2) The 85th percentile of the 2005 regional market rate survey for that region.~~
- ~~(c) Commencing January 1, 2017, and until **June 30, 2018** **December 31, 2017**, the regional market rate ceilings shall be established at the greater of either of the following:~~
- ~~(1) The 75th percentile of the 2014 regional market rate survey for that region.~~
 - ~~(2) The regional market rate ceiling for that region as it existed on December 31, 2016.~~
- ~~(d) (c) Commencing **July January 1, 2018 and until December 31, 2018**, the regional market rate ceilings shall be established at the **75th percentile of the 2014 regional market rate survey for that region. greater of either of the following:**~~
- (1) The 75th percentile of the 2016 regional market rate survey for that region.**

(2) The regional market rate ceiling that existed in that region on December 31, 2017.

(d) Commencing January 1, 2019, the regional market rate ceilings shall be established at the 75th percentile of the 2016 regional market rate survey for that region.

~~(e) Until December 31, 2016, reimbursement to license-exempt child care providers shall not exceed 65 percent of the family child care home rate established pursuant to subdivisions (a) and (b).~~

~~(d)~~ **(e)** Commencing January 1, 2017, reimbursement to license-exempt child care providers shall not exceed 70 percent of the family child care home rate established pursuant to subdivisions ~~(e)~~ and ~~(d)~~ **(b) and (c)**.

~~(f)~~ **(e)** ~~(f)~~ Reimbursement to child care providers shall not exceed the fee charged to private clients for the same service.

~~(g)~~ ~~(f)~~ **(g)** Reimbursement shall not be made for child care services when care is provided by parents, legal guardians, or members of the assistance unit.

~~(h)~~ ~~(g)~~ **(h)** A child care provider located on an Indian reservation or rancheria and exempted from state licensing requirements shall meet applicable tribal standards.

~~(i)~~ ~~(h)~~ **(i)** For purposes of this section, "reimbursement" means a direct payment to the provider of child care services, including license-exempt providers. If care is provided in the home of the recipient, payment may be made to the parent as the employer, and the parent shall be informed of his or her concomitant legal and financial reporting requirements. To allow time for the development of the administrative systems necessary to issue direct payments to providers, for a period not to exceed six months from the effective date of this article, a county or an alternative payment agency contracting with the department may reimburse the cost of child care services through a direct payment to a recipient of aid rather than to the child care provider.

~~(j)~~ ~~(i)~~ **(j)** Counties and alternative payment programs shall not be bound by the rate limits described in subdivisions (a) to (d), inclusive, when there are, in the region, no more than two child care providers of the type needed by the recipient of child care services provided under this article.

~~(k)~~ ~~(j)~~ **(k)** (1) Notwithstanding any other law, reimbursements to child care providers based upon a daily rate may only be authorized under either of the following circumstances:

(A) A family has an unscheduled but documented need of six hours or more per occurrence, such as the parent's need to work on a regularly scheduled day off, that exceeds the certified need for child care.

(B) A family has a documented need of six hours or more per day that exceeds no more than 14 days per month. In no event shall reimbursements to a provider based on the daily rate over one month's time exceed the provider's equivalent full-time monthly rate or applicable monthly ceiling.

(2) This subdivision shall not limit providers from being reimbursed for services using a weekly or monthly rate, pursuant to subdivision (c) of Section 8222.

Career Technical Education for the K-12 School Facilities Program

Section 17078.73 of the Education Code is repealed:

~~On or after January 1, 2015, the board shall not approve any projects pursuant to this article.~~

Emergency Repair Program Clean-Up

Section 17592.71 of the Education Code is amended to read:

17592.71. (a) There is hereby established in the State Treasury the School Facilities Emergency Repair Account. The State Allocation Board shall administer the account.

(b) (1) Commencing with the 2005–06 fiscal year, an amount of moneys shall be transferred in the annual Budget Act from the Proposition 98 Reversion Account to the School Facilities Emergency Repair Account, equaling 50 percent of the unappropriated balance of the Proposition 98 Reversion Account or one hundred million dollars (\$100,000,000), whichever amount is greater. Moneys transferred pursuant to this subdivision shall be used for the purpose of addressing emergency facilities needs pursuant to Section 17592.72.

(2) Notwithstanding paragraph (1), for the 2008–09 fiscal year, the amount of money to be transferred from the Proposition 98 Reversion Account to the School Facilities Emergency Repair Account pursuant to paragraph (1) shall not exceed one hundred one million dollars (\$101,000,000).

(3) Notwithstanding paragraph (1), for the 2009–10 fiscal year, the amount of money to be transferred from the Proposition 98 Reversion Account to the School Facilities Emergency Repair Account pursuant to paragraph (1) shall be zero dollars (\$0).

(4) Notwithstanding paragraph (1), for the 2010–11 fiscal year, the amount of money to be transferred from the Proposition 98 Reversion Account to the School Facilities Emergency Repair Account pursuant to paragraph (1) shall be zero dollars (\$0).

(5) Notwithstanding paragraph (1), for the 2011–12 fiscal year, the amount of money to be transferred from the Proposition 98 Reversion Account to the School Facilities Emergency Repair Account pursuant to paragraph (1) shall be zero dollars (\$0).

(6) Notwithstanding paragraph (1), for the 2012–13 and 2013–14 fiscal years, the amount of money to be transferred from the Proposition 98 Reversion Account to the School Facilities Emergency Repair Account pursuant to paragraph (1) shall be zero dollars (\$0).

(c) The Legislature may transfer to the School Facilities Emergency Repair Account other one-time Proposition 98 funds, except funds specified pursuant to Section 41207, as repealed and added by Section 6 of Chapter 216 of the Statutes of 2004. Donations by private entities shall be deposited in the account and, for tax purposes, be treated as otherwise provided by law.

(d) Funds shall be transferred pursuant to this section until a total of eight hundred million dollars (\$800,000,000) has been disbursed from the School Facilities Emergency Repair Account.

(e) Any unencumbered funds balance available in the School Facilities Emergency Repair Account after July 1, 2018, shall be transferred revert to the Proposition 98 General Fund reversion account.

Authorize Exception to Instructional Minute Waiver for Kindergarten and Transitional Kindergarten

Section 37202 of the Education Code Section 37202 is amended to read:

37202. (a) Except if a school has been closed by order of a city or county board of health, or of the State Board of Health, on account of contagious disease, or if the school has been closed on account of fire, flood, or other public disaster, the governing board of a school district shall maintain all of the elementary day schools established by it for an equal length of time during the school year and all of the day high schools established by it for an equal length of time during the school year.

(b) Notwithstanding subdivision (a), a school district that is implementing an early primary program, pursuant to Chapter 8 (commencing with Section 8970) of Part 6, may maintain kindergarten or transitional kindergarten classes **for different lengths of time during the schoolday either at the same or a different schoolsite. at different schoolsites within the school district for different lengths of time during the schoolday.**

Schoolbus Driver Instructor Training Program Fees

Section 40090 of the Education Code is amended to read: (New for May Revision)

40090. The department may assess fees to any instructor applicant who will be training drivers of any vehicle as defined in ~~Section~~ Sections 322, 545, 546, or 642 of the Vehicle Code. The ~~fee~~ fees may not be more than necessary to offset the department's reasonable costs.

Suspend Proposition 98 Supplemental Appropriation (3B)

Section 41203.5 of the Education Code is amended to read: (New for May Revision)

41203.5. (a) In any fiscal year in which the amount of the moneys that are required to be applied by the state for the support of school districts and community college districts is determined under paragraph (3) of subdivision (b) of Section 8 of Article XVI of the California Constitution, a supplemental appropriation shall be made from the General Fund for the support of those entities in that sum by which the amount determined under that paragraph is exceeded by the amount computed under subdivision (b) of this section.

(b) The amount of General Fund revenues required to assure that the rate of growth in total allocations per unit of average daily attendance to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B of the California Constitution, excluding any revenues allocated pursuant to subdivision (a) of Section 8.5 of Article XVI of the California Constitution, and allocated local proceeds of taxes is not less than the rate of growth in per capita appropriations for all other programs and services from General Fund proceeds of taxes appropriated pursuant to Article XIII B of the California Constitution, excluding any revenues allocated pursuant to subdivision (a) of Section 8.5 of Article XVI of the California Constitution.

(c) In no event shall the total amount appropriated in any fiscal year pursuant to this section and paragraph (3) of subdivision (b) of Section 8 of Article XVI of the California Constitution exceed the amount which would have been computed pursuant to paragraph (2) of subdivision (b) of Section 8 of Article XVI of the California Constitution.

(d) Notwithstanding any other law, this section does not apply to the 2016-17 to the 2020-21 fiscal years, inclusive.

Proposition 98 Settle-up Payment

Sections 41207.43 and 41207.44 of the Education Code are added to read:

41207.43. (a) The sum of ~~four hundred million eighty-nine million six hundred thirty-seven thousand~~ four hundred million eighty-nine million six hundred thirty-seven thousand dollars ~~(\$400,000,000) (\$89,637,000)~~ is hereby appropriated in the 2017-18 fiscal year from the General Fund to the Controller for allocation to school districts and community college districts for the purpose of offsetting the 2009–10 fiscal year outstanding balance of the minimum funding obligation to school districts and community college districts, pursuant to Section 8 of Article XVI of the California Constitution.

(1) The amount appropriated pursuant to this subdivision shall be allocated to school districts and community college districts, as described in subdivision (a) of Section 41203.1, in accordance with the following:

(A) Two hundred eighty-seven million two hundred ninety-six thousand dollars (\$287,296,000) for transfer by the Controller to Section A of the State Schools Fund for allocation by the Superintendent pursuant to this section.

(B) Forty-three million seven hundred twenty thousand dollars.

(A) Eighty-six million three hundred twenty thousand dollars (\$43,720,000) (\$86,320,000) for transfer by the Controller to Section B of the State School Fund for allocation by the Chancellor of the California Community Colleges to community colleges districts for deferred maintenance, instructional materials, and other activities as specified in Provision 20 of Item 6870-101-0001 of the Budget Act of 2016.

(C) Sixty-eight million nine hundred eighty-four thousand dollars.

(B) Three million three hundred seventeen thousand dollars (\$68,984,000) (\$3,317,000) for transfer by the Controller to Section A of the State School Fund for allocation by the Superintendent of Public Instruction for the Career Technical Education Incentive Grant Program pursuant to Education Code Section 53070.

(2) The amount allocated to school districts, pursuant to subparagraph (A) of paragraph (1), shall be distributed on the basis of an equal amount per unit of regular average daily attendance, as those average daily attendance numbers are reported at the time of the second principal apportionment for the 2016-17 fiscal year.

(3)(2) The amount allocated to community college districts, pursuant to subparagraph (B) (A) of paragraph (1), shall be distributed as specified in Provision 20 of Item 6870-101-0001 of the Budget Act of 2016.

(4) For purposes of this subdivision, a school district includes a county office of education and a charter school.

(b) For purposes of Section 8 of Article XVI of the California Constitution, the amounts appropriated and allocated pursuant to this section shall be applied to the outstanding balance of the minimum funding obligation to school districts and community college districts pursuant to Section 8 of Article XVI of the California Constitution for the 2009-10 fiscal year, and shall be deemed to be appropriations made and allocated in that fiscal year in which the deficiencies resulting in the outstanding balance were incurred.

(c) Funding received by school districts, pursuant to subparagraph (A) of paragraph (1) of subdivision (a), shall first be deemed to be paid in satisfaction of any outstanding claims, pursuant to Section 6 of Article XIII B of the California Constitution, for reimbursement of state-mandated local costs for any fiscal year. Notwithstanding Section 12419.5 of the Government Code and any amounts that are deemed, pursuant to this subdivision, to be paid in satisfaction of outstanding claims for reimbursement of state-mandated local costs, the Controller may audit any claim as allowed by law and may recover any amount owed by school districts, pursuant to an audit, only by reducing amounts owed for any other mandate claims. Under no circumstances shall a school district be required to remit funding back to the state to pay for disallowed costs identified by a Controller audit of claimed reimbursable state-mandated local program costs. The Controller shall not recover any amount owed by a school district pursuant to an audit of claimed reimbursable state-mandated local program costs by reducing any amount owed a school district for any purpose other than amounts owed for any other mandate claims. The Controller shall apply amounts received by each school district against any balances of unpaid claims for reimbursement of state-mandated local costs and interest in chronological order, beginning with the earliest claim. The Controller shall report to each school district the amounts of any claims and interest that are offset from funds provided pursuant to this section and shall report a summary of the amounts offset for each mandate for each fiscal year to the Department of Finance and the fiscal committees of the Legislature.

(d) (1) The governing board of a school district may expend the one-time funds received, pursuant to subparagraphs (A) of paragraph (1) of subdivision (a), for any purpose, as determined by the governing board.

~~(2) It is the intent of the Legislature that school districts will prioritize the use of these one-time funds for deferred maintenance, professional development, induction for beginning teachers with a focus on relevant mentoring, instructional materials, technology infrastructure, and any other investments necessary to support implementation of the common core standards in English language arts and mathematics, the implementation of English language development standards, and the implementation of the Next Generation Science standards.~~

41207.44. (a) If the Superintendent and the Director of Finance jointly determine that for the 2016-17 fiscal year, the state has applied money for the support of school districts and community college districts in an amount that exceeds the minimum amount required for the 2016-17 fiscal year pursuant to Section 8 of Article XVI of the California Constitution, the excess, up to five hundred thirteen million six hundred forty-three thousand dollars (\$513,643,000) shall be deemed, as of June 30, 2017, a payment in satisfaction of the outstanding balance of the minimum funding obligation to school districts and community college districts, pursuant to Section 8 of Article XVI of the California Constitution for the 2009-10 fiscal year.

Child Care Cost of Living Adjustment Suspension

Section 42238.15 of the Education Code is amended to read:

(a) Notwithstanding any other law, and in lieu of any inflation or cost-of-living adjustment otherwise authorized for the programs enumerated in subdivision (b), state funding for the programs enumerated in subdivision (b) shall be increased annually by the product of the following:

(1) The sum of 1.0 plus the percentage change determined under paragraph (2) of subdivision (d) of Section 42238.02.

(2) The sum of 1.0 plus the percentage of increase, from the prior fiscal year to the current fiscal year, in each of the workload factors described in subdivision (b).

(b) The programs for which annual state funding increases are determined under this section, and the factors used to measure workload for each of those programs, are as follows:

(1) Special education programs and services, with workload measured by the regular second principal apportionment average daily attendance for kindergarten and grades 1 to 12, inclusive.

(2) Child care and development programs, and preschool programs, with workload measured by the state population of children up to and including four years of age.

(c) Notwithstanding any other law, child care and development programs shall not receive a cost-of-living adjustment in the 2012–13, 2013–14, ~~and~~ and 2014–15, ~~and 2017–18~~ fiscal years.

Instructional Minute Averaging

Section 46160 of the Education Code is amended to read:

(New for May Revision)

46160. ~~(a)~~ (a)(1) Notwithstanding any other provision of law, the governing board of a school district that maintains a junior high school or high school may schedule classes in these schools so that each pupil attends classes for at least 1,200 minutes during any five-school day period or 2,400 minutes during any 10-school day period.

(2) Notwithstanding any other provision of law, the governing board of a school district that maintains an early college high school or middle college high school may schedule classes in these schools so that each pupil who satisfies subdivisions (a) or (b) of Section 46146.5 attends

classes for at least 900 minutes during any five-school day period or 1,800 minutes during any 10-school day period.

~~(b)~~ (b) Under that kind of a schedule pursuant to subdivision (a), any pupil may be authorized to attend school for less than the total number of days in which the school is in session as long as the pupil attends the required number of minutes per five-school day period or per 10-school day period to accommodate career technical education and regional occupational center and program courses and block or other alternative school class schedules.

~~(c)~~ (c) Computations authorized by this section shall not result in an increase in state apportionments to a school district.

Charter School Facilities Incentive Grant

Section 47614.5 of the Education Code is amended to read:

(New for May Revision)

(a) The Charter School Facility Grant Program is hereby established, and shall be administered by the California School Finance Authority. The grant program is intended to provide assistance with facilities rent and lease costs for pupils in charter schools.

(b) Commencing with the 2017-18 fiscal year, and subject to available funding in the annual Budget Act, eligible charter schools shall receive an amount equivalent to one of the following, whichever is less:

(1) 75 percent of annual facilities rent and lease costs for the charter school.

(2) For the 2017-18 fiscal year, an amount equal to one thousand one hundred seventeen (\$1,117) per unit of average daily attendance, as certified at the second principal apportionment. Commencing with the 2018-19 fiscal year, the amount of funding provided per unit of average daily attendance in the preceding fiscal year, as adjusted by the percentage change in the annual average value of the Implicit Price Deflator for State and Local Government Purchases of Goods and Services for the United States, as published by the United States Department of Commerce for the 12-month period ending in the third quarter of the prior fiscal year. This percentage change shall be determined using the latest data available as of May 10 of the preceding fiscal year compared with the annual average value of the same deflator for the 12-month period ending in the third quarter of the second preceding fiscal year, using the latest data available as of May 10 of the preceding fiscal year, as reported by the Department of Finance.

~~Subject to the annual Budget Act, eligible charter schools shall receive an amount of up to, but not more than, seven hundred fifty dollars (\$750) per unit of average daily attendance, as certified at the second principal apportionment, to provide an amount of up to, but not more than, 75 percent of the annual facilities rent and lease costs for the charter school.~~

(3) In any fiscal year, if the funds appropriated for purposes of this section by the annual Budget Act are insufficient to fully fund the approved amounts, the California School Finance Authority shall apportion the available funds on a pro rata basis.

(c) For purposes of this section, the California School Finance Authority shall do all of the following:

(1) Inform charter schools of the grant program.

(2) Upon application by a charter school, determine eligibility, based on the geographic location of the charter schoolsite, pupil eligibility for free or reduced-price meals, and a preference in admissions, as appropriate. Eligibility for funding shall not be limited to the grade level or levels served by the school whose attendance area is used to determine eligibility. A charter schoolsite is eligible for funding pursuant to this section if the charter schoolsite meets either of the following conditions:

(A) The charter schoolsite is physically located in the attendance area of a public elementary school in which 55 percent or more of the pupil enrollment is eligible for free or reduced-price

meals and the charter schoolsite gives a preference in admissions to pupils who are currently enrolled in that public elementary school and to pupils who reside in the elementary school attendance area where the charter schoolsite is located.

(B) Fifty-five percent or more of the pupil enrollment at the charter schoolsite is eligible for free or reduced-price meals.

(3) Inform charter schools of their grant eligibility.

(4) Make apportionments to a charter school for eligible expenditures according to the following schedule:

(A) An initial apportionment by August 31 of each fiscal year or 30 days after enactment of the annual Budget Act, whichever is later, provided the charter school has submitted a timely application for funding, as determined by the California School Finance Authority. The initial apportionment shall be 50 percent of the charter school's estimated annual entitlement as determined by this section.

(B) A second apportionment by March 1 of each fiscal year. This apportionment shall be 75 percent of the charter school's estimated annual entitlement, as adjusted for any revisions in cost, enrollment, and other data relevant to computing the charter school's annual entitlement, less any funding already apportioned to the charter school.

(C) A third apportionment within 30 days of the end of each fiscal year or 30 days after receiving the data and documentation needed to compute the charter school's total annual entitlement, whichever is later. This apportionment shall be the charter school's total annual entitlement less any funding already apportioned to the charter school.

(D) Notwithstanding subparagraph (A), the initial apportionment in the 2013–14 fiscal year shall be made by October 15, 2013, or 105 days after enactment of the Budget Act of 2013, whichever is later.

(d) For purposes of this section:

(1) The California School Finance Authority shall use prior year data on pupil eligibility for free or reduced-price meals to determine eligibility pursuant to paragraph (2) of subdivision (c). A new charter school that was not operational in the prior year shall be eligible in the current year if it meets the free or reduced-price meal eligibility requirements specified in paragraph (2) of subdivision (c) based on current year data. Prior year rent or lease costs provided by charter schools shall be used to determine eligibility for the grant program until actual rent or lease costs become known or until June 30 of each fiscal year.

(2) If prior year rent or lease costs are unavailable, and the current year lease and rent costs are not immediately available, the California School Finance Authority shall use rent or lease cost estimates provided by the charter school.

(3) The California School Finance Authority shall verify that the grant amount awarded to each charter school is consistent with eligibility requirements as specified in this section and in regulations adopted by the authority. If it is determined by the California School Finance Authority that a charter school did not receive the proper grant award amount, either the charter school shall transfer funds back to the authority as necessary within 60 days of being notified by the authority, or the authority shall provide an additional apportionment as necessary to the charter school within 60 days of notifying the charter school, subject to the availability of funds.

(e) Funds appropriated for purposes of this section shall not be apportioned for any of the following:

(1) Units of average daily attendance generated through nonclassroom-based instruction as defined by paragraph (2) of subdivision (e) of Section 47612.5 or that does not comply with conditions or limitations set forth in regulations adopted by the state board pursuant to this section.

(2) Charter schools occupying existing school district or county office of education facilities, except that charter schools shall be eligible for the portions of their facilities that are not existing school district or county office of education facilities.

- (3) Charter schools receiving reasonably equivalent facilities from their chartering authorities pursuant to Section 47614, except that charter schools shall be eligible for the portions of their facilities that are not reasonably equivalent facilities received from their chartering authorities.
- (f) Funds appropriated for purposes of this section shall be used for costs associated with facilities rents and leases, consistent with the definitions used in the California School Accounting Manual or regulations adopted by the California School Finance Authority. These funds also may be used for costs, including, but not limited to, costs associated with remodeling buildings, deferred maintenance, initially installing or extending service systems and other built-in equipment, and improving sites.
- (g) If an existing charter school located in an elementary attendance area in which less than 50 percent of pupil enrollment is eligible for free or reduced-price meals relocates to an attendance area identified in paragraph (2) of subdivision (c), admissions preference shall be given to pupils who reside in the elementary school attendance area into which the charter school is relocating.
- (h) The California School Finance Authority annually shall report to the department and the Director of Finance, and post information on its Internet Web site, regarding the use of funds that have been made available during the fiscal year to each charter school pursuant to the grant program.
- (i) The California School Finance Authority shall annually allocate the facilities grants to eligible charter schools according to the schedule in paragraph (4) of subdivision (c) for the current school year rent and lease costs. However, the California School Finance Authority shall first use the funding appropriated for this program to reimburse eligible charter schools for unreimbursed rent or lease costs for the prior school year.
- (j) It is the intent of the Legislature that the funding level for the Charter School Facility Grant Program for the 2012–13 fiscal year be considered the base level of funding for subsequent fiscal years.
- (k) The Controller shall include instructions appropriate to the enforcement of this section in the audit guide required by subdivision (a) of Section 14502.1.
- (l) The California School Finance Authority, effective with the 2013–14 fiscal year, shall be considered the senior creditor for purposes of satisfying audit findings pursuant to the audit instructions to be developed pursuant to subdivision (k).
- (m) The California School Finance Authority may adopt regulations to implement this section. Any regulations adopted pursuant to this section may be adopted as emergency regulations in accordance with the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of the Title 2 of the Government Code). The adoption of these regulations shall be deemed to be an emergency and necessary for the immediate preservation of the public peace, health and safety, or general welfare.
- (n) Notwithstanding any other law, a charter school shall be subject, with regard to this section, to audit conducted pursuant to Section 41020.

Child Nutrition Reimbursement Rate Increase

Section 49430.5 of the Education Code is amended to read:

49430.5. (a) The reimbursement a school receives for free and reduced-price meals sold or served to pupils in elementary, middle, or high schools included within a school district, charter school, or county office of education shall be ~~twenty-two~~ ~~twenty-three~~ and ~~seventy-one~~ hundredths **five six one thousandths** cents (~~(\$0.2274)~~ **(\$0.2305)** **(\$0.2306)**) per meal, and, for meals served in child care centers and homes, the reimbursement shall be ~~sixteen~~ ~~seventeen~~ and ~~ninety-one~~ **sixteen seventeen** hundredths cents (~~(\$0.1691)~~ **(\$0.1716)** **(\$0.1717)**) per meal.

(b) To qualify for the reimbursement for free and reduced-price meals provided to pupils in elementary, middle, or high schools, a school shall follow the United States Department of Agriculture meal pattern.

(c) The reimbursement rates set forth in this section shall be adjusted annually for increases in cost of living in the same manner set forth in Section 42238.1.

Child Nutrition Advisory Council

Section 49533 of the Education Code Section is amended to read: (New for May Revision)

49533. (a) A Child Nutrition Advisory Council composed of 13 members, shall be appointed by January 1, 1975, to recommend plans and guidelines for school and child care meal service and nutrition education programs. The members of the council shall be appointed by the ~~State Board of Education~~ Superintendent of Public Instruction and shall include one member of the State Department of Education, one school administrator, one school board member, one school food service director, one school food service supervisor or manager, one classroom teacher, one curriculum coordinator, one nutrition education specialist, one lay person, one child care food program sponsor, one secondary high school student, one representative from a recognized parent-teacher organization, and a qualified consultant specializing in nutrition, education, child care, or health and welfare.

(b) The members shall serve for a term of three years, except the student representative, who shall serve a one year term. Council members shall serve without pay but shall be reimbursed for authorized travel costs according to established State Department of Education procedures.

State Board of Education Approval of Local Control and Accountability Plan Template and Rubrics

Section 52064 of the Education Code is amended to read:

52064. (a) On or before March 31, 2014, the state board shall adopt templates for the following purposes:

- (1) For use by school districts to meet the requirements of Sections 52060 to 52063, inclusive.
- (2) For use by county superintendents of schools to meet the requirements of Sections 52066 to 52069, inclusive.
- (3) For use by charter schools to meet the requirements of Section 47606.5.

(b) The templates developed by the state board shall allow a school district, county superintendent of schools, or charter school to complete a single local control and accountability plan to meet the requirements of this article and the requirements of the federal No Child Left Behind Act of 2001 related to local educational agency plans pursuant to Section 1112 of Subpart 1 of Part A of Title I of Public Law 107-110. The state board shall also take steps to minimize duplication of effort at the local level to the greatest extent possible. The template shall include guidance for school districts, county superintendents of schools, and charter schools to report both of the following:

- (1) A listing and description of expenditures for the 2014–15 fiscal year, and each fiscal year thereafter, implementing the specific actions included in the local control and accountability plan.
- (2) A listing and description of expenditures for the 2014–15 fiscal year, and each fiscal year thereafter, that will serve the pupils to whom one or more of the definitions in Section 42238.01 apply and pupils redesignated as fluent English proficient.

- (c) If possible, the templates identified in paragraph (2) of subdivision (a) for use by county superintendents of schools shall allow a county superintendent of schools to develop a single local control and accountability plan that would also satisfy the requirements of Section 48926.
- (d) The state board shall adopt the template pursuant to the requirements of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code). The state board may adopt emergency regulations for purposes of implementing this section. The adoption of emergency regulations shall be deemed an emergency and necessary for the immediate preservation of the public peace, health, safety, or general welfare.
- (e) Notwithstanding subdivision (d), the state board may adopt or revise the template in accordance with the requirements of the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code). When adopting the template pursuant to the requirements of the Bagley-Keene Open Meeting Act, the state board shall present the template at a regular meeting and may only take action to adopt the template at a subsequent regular meeting. ~~This subdivision shall become inoperative on January 31, 2018.~~
- (f) Revisions to a template shall be approved by the state board by January 31 before the fiscal year during which the template ~~or evaluation rubric~~ is to be used by a school district, county superintendent of schools, or charter school.
- (g) The adoption of a template or evaluation rubric by the state board shall not create a requirement for a governing board of a school district, a county board of education, or a governing body of a charter school to submit a local control and accountability plan to the state board, unless otherwise required by federal law. The Superintendent shall not require a local control and accountability plan to be submitted by a governing board of a school district or the governing body of a charter school to the state board. The state board may adopt a template or evaluation rubric that would authorize a school district or a charter school to submit to the state board only the sections of the local control and accountability plan required by federal law.

Fiscal Agent for the California Collaborative for Educational Excellence

Section 52074 of the Education Code is amended to read: (New for May Revision)

52074. (a) The California Collaborative for Educational Excellence is hereby established.
- (b) The purpose of the California Collaborative for Educational Excellence is to advise and assist school districts, county superintendents of schools, and charter schools in achieving the goals set forth in a local control and accountability plan adopted pursuant to this article.
- (c) ~~The Superintendent governing board of the California Collaborative for Educational Excellence~~ shall, with the approval of the ~~state board~~ Department of Finance, contract with a local educational agency, or consortium of local educational agencies, to serve as the fiscal agent for the California Collaborative for Educational Excellence. The Superintendent shall apportion funds appropriated for the California Collaborative for Educational Excellence to the fiscal agent.
- (d) The California Collaborative for Educational Excellence shall be governed by a board consisting of the following five members:
- (1) The Superintendent or his or her designee.
 - (2) The president of the state board or his or her designee.
 - (3) A county superintendent of schools appointed by the Senate Committee on Rules.
 - (4) A teacher appointed by the Speaker of the Assembly.
 - (5) A superintendent of a school district appointed by the Governor.
- (e) At the direction of the governing board of the California Collaborative for Educational Excellence, the fiscal agent shall contract with individuals, local educational agencies, or

organizations with the expertise, experience, and a record of success to carry out the purposes of this article. The areas of expertise, experience, and record of success shall include, but are not limited to, all of the following:

(1) State priorities as described in subdivision (d) of Section 52060.

(2) Improving the quality of teaching.

(3) Improving the quality of school district and schoolsite leadership.

(4) Successfully addressing the needs of special pupil populations, including, but not limited to, English learners, pupils eligible to receive a free or reduced-price meal, pupils in foster care, and individuals with exceptional needs.

(f) The California Collaborative for Educational Excellence may, after consulting with the Superintendent, accept a request or referral to advise and assist a school district, county superintendent of schools, or charter school in any of the following circumstances:

(1) If the governing board of a school district, county board of education, or governing body or a charter school requests the advice and assistance of the California Collaborative for Educational Excellence.

(2) If the county superintendent of schools of the county in which the school district or charter school is located determines, following the provision of technical assistance pursuant to Section 52071 or 47607.3 as applicable, that the advice and assistance of the California Collaborative for Educational Excellence is necessary to help the school district or charter school accomplish the goals described in the local control and accountability plan adopted pursuant to this article.

(3) If the Superintendent determines that the advice and assistance of the California Collaborative for Educational Excellence is necessary to help the school district, county superintendent of schools, or charter school accomplish the goals set forth in the local control and accountability plan adopted pursuant to this article.

Extend Deadlines for Revising the Visual and Performing Arts Content Standards

Section 60605.13 of the Education Code is amended to read:

60605.13. (a) The Superintendent, in consultation with the Instructional Quality Commission, shall recommend to the state board revisions to the visual and performing arts content standards in the subjects of dance, theater, music, and visual arts adopted by the state board pursuant to Section 60605.1.

(b) In consultation with the Instructional Quality Commission and the state board, the Superintendent shall select a group of experts in visual and performing arts for purposes of assisting the Superintendent in developing recommendations pursuant to this section. A majority of this group of experts shall be current public school elementary or secondary classroom teachers who have a professional teaching credential that is valid under state law.

(c) The National Core Arts Standards in the subjects of dance, theater, music, and visual arts developed by the National Coalition for Core Arts Standards shall serve as the basis for deliberations regarding revisions to the visual and performing arts content standards.

(d) (1) The Superintendent, in consultation with the Instructional Quality Commission, shall hold a minimum of two public hearings in order for the public to provide input on the revisions recommended pursuant to this section and the state board shall adopt, reject, or modify those recommendations at a subsequent public meeting.

(2) The public hearings and meetings required by this subdivision shall be held pursuant to the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code).

(e) On or before November 30, ~~2018~~2019, the Superintendent shall present to the state board the revised visual and performing arts content standards, based on the work of the group of

experts convened pursuant to subdivision (b), conducted in consultation with the Instructional Quality Commission.

(f) (1) On or before January 31, ~~2019-2020~~, the state board shall adopt, reject, or modify any revisions to the visual and performing arts standards recommended by the Superintendent. If the state board modifies the revisions recommended by the Superintendent, the state board shall explain, in writing, the reasons for modifying the recommended revised content standards to the Governor and the Legislature.

(2) If the state board modifies the visual and performing arts content standards recommended by the Superintendent pursuant to subdivision (e), the state board shall, in a meeting conducted pursuant to the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code), provide written reasons for its revisions. The state board shall not adopt revised visual and performing arts content standards at the same meeting it provides its written reasons, but, instead, shall adopt these revisions at a subsequent meeting conducted no later than March 31, 2020.

(3) If the state board rejects the visual and performing arts content standards recommended by the Superintendent pursuant to subdivision (e), the state board shall transmit to the Superintendent, the Governor, and the appropriate policy and fiscal committees of the Legislature a specific written explanation of the reasons for the rejection of the standards presented by the Superintendent.

(g) If the visual and performing arts content standards are adopted pursuant to subdivision (f), the state board shall consider the adoption of a curriculum framework and evaluation criteria for instructional materials that are aligned to the visual and performing arts content standards no later than July 31, ~~2020~~ 2021 2022, based on recommendations of the Instructional Quality Commission.

(h) If the visual and performing arts content standards are adopted pursuant to subdivision (f), the state board may adopt instructional materials for kindergarten and grades 1 to 8, inclusive, that are aligned to the visual and performing arts content standards no later than November 30, ~~2021~~ 2022 2023, based on recommendations of the Instructional Quality Commission.

Extend Deadlines for Revising the World Languages Content Standards

Section 60605.5 of the Education Code is amended to read:

60605.5 (a) (1) In consultation with the Instructional Quality Commission, the Superintendent shall recommend to the state board revisions to the World Language Content Standards for California Public Schools adopted by the state board in 2009 pursuant to Section 60605.3.

(2) These recommended revisions shall be based on the work of the group of experts convened pursuant to subdivision (b).

(3) On or before January 31, ~~2019-2020~~, the Superintendent, in consultation with the Instructional Quality Commission, shall present his or her recommended revisions to the state board.

(b) In consultation with the Instructional Quality Commission and the state board, the Superintendent shall select a group of experts in this subject area to assist the Superintendent in developing recommended revisions pursuant to this section. A majority of this group of experts shall be current public school elementary or secondary classroom teachers who have a professional teaching credential that is valid under state law.

(c) (1) Before presenting his or her recommended revisions to the state board pursuant to paragraph (3) of subdivision (a), the Superintendent, in consultation with the Instructional Quality Commission, shall hold a minimum of two public hearings in order for the public to provide input on the recommended revisions.

(2) The public hearings and meetings required by this subdivision shall be held pursuant to the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code).

(d) (1) On or before March 31, ~~2019-2020~~, the state board shall adopt, reject, or modify the recommended revisions.

(2) If the state board modifies the recommended revisions, it shall do both of the following:

(A) It shall explain, in writing, to the Governor and the Legislature the reasons for those modifications.

(B) It shall, in a meeting conducted pursuant to the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code), provide written reasons for its modifications. The state board shall not adopt its modified revisions at the same meeting it provides its written reasons, but, instead, shall adopt these modified revisions at a subsequent meeting conducted on or before May 31, ~~2019-2020~~.

(3) If the state board rejects the recommended revisions, the state board shall transmit to the Superintendent, the Governor, and the appropriate policy and fiscal committees of the Legislature a detailed written explanation of its reasons for rejecting the recommended revisions.

(e) If the state board adopts revisions to the World Language Content Standards for California Public Schools pursuant to paragraph (1) of subdivision (d) or subparagraph (B) of paragraph (2) of subdivision (d), the state board shall consider adopting curriculum framework and evaluation criteria for instructional materials that are aligned to the revised World Language Content Standards for California Public Schools on or before September 30, ~~2020~~ **2021 2022**, based on any recommendations the Instructional Quality Commission may make.

(f) If the state board adopts revisions to the World Language Content Standards for California Public Schools pursuant to paragraph (1) of subdivision (d) or subparagraph (B) of paragraph (2) of subdivision (d), the state board may adopt instructional materials for kindergarten and grades 1 to 8, inclusive, that are aligned to the revised World Language Content Standards for California Public Schools on or before January 31, ~~2022~~ **2023 2024**, based on any recommendations the Instructional Quality Commission may make.

Scope of Testing Contractor Progress Payments/Recoveries

Section 60643 of the Education Code is amended to read: (new for May Revision)

60643. (a) Notwithstanding any other law, the contractor or contractors of the achievement tests provided for in Section 60640 shall comply with all of the conditions and requirements of the contract to the satisfaction of the Superintendent and the state board.

(b) (1) The department shall develop, and the Superintendent and the state board shall approve, a contract or contracts to be entered into with a contractor in connection with the test provided for in Section 60640. The department may develop the contract through negotiations. In approving a contract amendment to the contract authorized pursuant to this section, the department, in consultation with the state board, may make material amendments to the contract that do not increase the contract cost. Contract amendments that increase contract costs may only be made with the approval of the department, the state board, and the Department of Finance.

(2) For purposes of the contracts authorized pursuant to this subdivision, the department is exempt from the requirements of Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code and from the requirements of Article 6 (commencing with Section 999) of Chapter 6 of Division 4 of the Military and Veterans Code. The department shall use a competitive and open process utilizing standardized scoring criteria through which to select a

potential administration contractor or contractors for recommendation to the state board for consideration. The state board shall consider each of the following criteria:

- (A) The ability of the contractor to produce valid and reliable scores.
 - (B) The ability of the contractor to report accurate results in a timely fashion.
 - (C) Exclusive of the consortium assessments, the ability of the contractor to ensure technical adequacy of the tests, inclusive of the alignment between the California Assessment of Student Performance and Progress tests and the state-adopted content standards.
 - (D) The cost of the assessment system.
 - (E) The ability and proposed procedures to ensure the security and integrity of the assessment system.
 - (F) The experience of the contractor in successfully conducting statewide testing programs in other states.
- (3) The contracts shall include provisions for progress payments to the contractor for work performed or costs incurred in the performance of the contract. Not less than 10 percent of the amount budgeted for each separate and distinct component task per test administration provided for in each contract shall be withheld pending final completion of all component tasks by that contractor. The total amount withheld pending final completion shall not exceed 10 percent of the total contract price for that test administration fiscal year.
- (4) The contracts shall require liquidated damages to be paid by the contractor in the amount of up to 10 percent of the total cost of the contract for any component task that the contractor through its own fault or that of its subcontractors fails to substantially perform as by the date specified in the agreement per test administration.
- (5) The contracts shall establish the process and criteria by which the successful completion of each component task shall be recommended by the department and approved by the state board.
- (6) The contractors shall submit, as part of the contract negotiation process, a proposed budget and invoice schedule that includes a detailed listing of the costs for each component task and the expected date of the invoice for each completed component task.
- (7) The contract or contracts subject to approval by the Superintendent and the state board under paragraph (1) and exempt under paragraph (2) shall specify the following component tasks, as applicable, that are separate and distinct:
- (A) Development of new tests or test items.
 - (B) Test materials production or publication.
 - (C) Delivery or electronic distribution of test materials to local educational agencies.
 - (D) Test processing, scoring, and analyses.
 - (E) Reporting of test results to the local educational agencies, including, but not necessarily limited to, all reports specified in this section.
 - (F) Reporting of valid and reliable test results to the department, including, but not necessarily limited to, the following electronic files:
 - (i) Scores aggregated statewide, and by county, school district, school, and grade.
 - (ii) Disaggregated scores based on English proficiency status, gender, ethnicity, socioeconomic disadvantage, foster care status, and special education designation.
 - (G) All other analyses or reports required by the Superintendent to meet the requirements of state and federal law and set forth in the agreement.
 - (H) Technology services to support the activities listed in subparagraphs (A) to (G), inclusive.
 - (I) Perform regular performance checks and load simulations to ensure the integrity and robustness of the technology system used to support the activities listed in subparagraphs (A) to (G), inclusive.

Mandate Block Grant Adjustment

Section 17581.6 of the Government Code is amended to read:

17581.6 (a) Funding apportioned pursuant to this section shall constitute reimbursement pursuant to Section 6 of Article XIII B of the California Constitution for the performance of any state mandates included in the statutes and executive orders identified in subdivision (e).

(b) Any school district, county office of education, or charter school may elect to receive block grant funding pursuant to this section.

(c) (1) A school district, county office of education, or charter school that elects to receive block grant funding pursuant to this section in a given fiscal year shall submit a letter requesting funding to the Superintendent of Public Instruction on or before August 30 of that fiscal year.

(2) The Superintendent of Public Instruction shall, in the month of November of each year, apportion block grant funding appropriated pursuant to Item 6100-296-0001 of Section 2.00 of the annual Budget Act to all school districts, county offices of education, and charter schools that submitted letters requesting funding in that fiscal year according to the provisions of that item.

(3) A school district or county office of education that receives block grant funding pursuant to this section shall not be eligible to submit claims to the Controller for reimbursement pursuant to Section 17560 for any costs of any state mandates included in the statutes and executive orders identified in subdivision (e) incurred in the same fiscal year during which the school district or county office of education received funding pursuant to this section.

(d) Block grant funding apportioned pursuant to this section is subject to annual financial and compliance audits required by Section 41020 of the Education Code.

(e) Block grant funding apportioned pursuant to this section is specifically intended to fund the costs of the following programs and activities:

(1) Academic Performance Index (01-TC-22; Chapter 3 of the Statutes of 1999, First Extraordinary Session; and Chapter 695 of the Statutes of 2000).

(2) Agency Fee Arrangements (00-TC-17 and 01-TC-14; Chapter 893 of the Statutes of 2000 and Chapter 805 of the Statutes of 2001).

(3) AIDS Instruction and AIDS Prevention Instruction (CSM 4422, 99-TC-07, and 00-TC-01; Chapter 818 of the Statutes of 1991; and Chapter 403 of the Statutes of 1998).

(4) California Assessment of Student Performance and Progress (CAASPP) (14-TC-01 and 14-TC-04; Chapter 489 of the Statutes of 2013 and Chapter 32 of the Statutes of 2014).

~~(4)~~ **(5)** California State Teachers' Retirement System (CalSTRS) Service Credit (02-TC-19; Chapter 603 of the Statutes of 1994; Chapters 383, 634, and 680 of the Statutes of 1996; Chapter 838 of the Statutes of 1997; Chapter 965 of the Statutes of 1998; Chapter 939 of the Statutes of 1999; and Chapter 1021 of the Statutes of 2000).

~~(5)~~ **(6)** Caregiver Affidavits (CSM 4497; Chapter 98 of the Statutes of 1994).

~~(6)~~ **(7)** Charter Schools I, II, and III (CSM 4437, 99-TC-03, and 99-TC-14; Chapter 781 of the Statutes of 1992; Chapters 34 and 673 of the Statutes of 1998; Chapter 34 of the Statutes of 1998; and Chapter 78 of the Statutes of 1999).

~~(7)~~ **(8)** Charter Schools IV (03-TC-03; Chapter 1058 of the Statutes of 2002).

~~(8)~~ **(9)** Child Abuse and Neglect Reporting (01-TC-21; Chapters 640 and 1459 of the Statutes of 1987; Chapter 132 of the Statutes of 1991; Chapter 459 of the Statutes of 1992; Chapter 311 of the Statutes of 1998; Chapter 916 of the Statutes of 2000; and Chapters 133 and 754 of the Statutes of 2001).

~~(9)~~ **(10)** Collective Bargaining (CSM 4425; Chapter 961 of the Statutes of 1975).

~~(10)~~ **(11)** Comprehensive School Safety Plans (98-TC-01 and 99-TC-10; Chapter 736 of the Statutes of 1997; Chapter 996 of the Statutes of 1999; and Chapter 828 of the Statutes of 2003).

~~(44)~~ **(12)** Consolidation of Annual Parent Notification/Schoolsite Discipline Rules/Alternative Schools (CSM 4488, CSM 4461, 99-TC-09, 00-TC-12, 97-TC-24, CSM 4453, CSM 4474, CSM 4462; Chapter 448 of the Statutes of 1975; Chapter 965 of the Statutes of 1977; Chapter 975 of the Statutes of 1980; Chapter 469 of the Statutes of 1981; Chapter 459 of the Statutes of 1985; Chapters 87 and 97 of the Statutes of 1986; Chapter 1452 of the Statutes of 1987; Chapters 65 and 1284 of the Statutes of 1988; Chapter 213 of the Statutes of 1989; Chapters 10 and 403 of the Statutes of 1990; Chapter 906 of the Statutes of 1992; Chapter 1296 of the Statutes of 1993; Chapter 929 of the Statutes of 1997; Chapters 846 and 1031 of the Statutes of 1998; Chapter 1 of the Statutes of 1999, First Extraordinary Session; Chapter 73 of the Statutes of 2000; Chapter 650 of the Statutes of 2003; Chapter 895 of the Statutes of 2004; and Chapter 677 of the Statutes of 2005).

~~(42)~~ **(13)** Consolidation of Law Enforcement Agency Notification and Missing Children Reports (CSM 4505; Chapter 1117 of the Statutes of 1989 and 01-TC-09; Chapter 249 of the Statutes of 1986; and Chapter 832 of the Statutes of 1999).

~~(43)~~ **(14)** Consolidation of Notification to Teachers: Pupils Subject to Suspension or Expulsion I and II, and Pupil Discipline Records (00-TC-10 and 00-TC-11; Chapter 345 of the Statutes of 2000).

~~(44)~~ **(15)** Consolidated Suspensions, Expulsions, and Expulsion Appeals (96-358-03, 03A, 98-TC-22, 01-TC-18, 98-TC-23, 97-TC-09; Chapters 972 and 974 of the Statutes of 1995; Chapters 915, 937, and 1052 of the Statutes of 1996; Chapter 637 of the Statutes of 1997; Chapter 489 of the Statutes of 1998; Chapter 332 of the Statutes of 1999; Chapter 147 of the Statutes of 2000; and Chapter 116 of the Statutes of 2001) (CSM 4455; Chapter 1253 of the Statutes of 1975; Chapter 965 of the Statutes of 1977; Chapter 668 of the Statutes of 1978; Chapter 318 of the Statutes of 1982; Chapter 498 of the Statutes of 1983; Chapter 622 of the Statutes of 1984; Chapter 942 of the Statutes of 1987; Chapter 1231 of the Statutes of 1990; Chapter 152 of the Statutes of 1992; Chapters 1255, 1256, and 1257 of the Statutes of 1993; and Chapter 146 of the Statutes of 1994) (CSM 4456; Chapter 965 of the Statutes of 1977; Chapter 668 of the Statutes of 1978; Chapter 73 of the Statutes of 1980; Chapter 498 of the Statutes of 1983; Chapter 856 of the Statutes of 1985; and Chapter 134 of the Statutes of 1987) (CSM 4463; Chapter 1253 of the Statutes of 1975; Chapter 965 of the Statutes of 1977; Chapter 668 of the Statutes of 1978; and Chapter 498 of the Statutes of 1983).

~~(45)~~ **(16)** County Office of Education Fiscal Accountability Reporting (97-TC-20; Chapters 917 and 1452 of the Statutes of 1987; Chapters 1461 and 1462 of the Statutes of 1988; Chapter 1372 of the Statutes of 1990; Chapter 1213 of the Statutes of 1991; Chapter 323 of the Statutes of 1992; Chapters 923 and 924 of the Statutes of 1993; Chapters 650 and 1002 of the Statutes of 1994; and Chapter 525 of the Statutes of 1995).

~~(46)~~ **(17)** Criminal Background Checks (97-TC-16; Chapters 588 and 589 of the Statutes of 1997).

~~(47)~~ **(18)** Criminal Background Checks II (00-TC-05; Chapters 594 and 840 of the Statutes of 1998; and Chapter 78 of the Statutes of 1999).

~~(48)~~ **(19)** Developer Fees (02-TC-42; Chapter 955 of the Statutes of 1977; Chapter 282 of the Statutes of 1979; Chapter 1354 of the Statutes of 1980; Chapter 201 of the Statutes of 1981; Chapter 923 of the Statutes of 1982; Chapter 1254 of the Statutes of 1983; Chapter 1062 of the Statutes of 1984; Chapter 1498 of the Statutes of 1985; Chapters 136 and 887 of the Statutes of 1986; and Chapter 1228 of the Statutes of 1994).

~~(49)~~ **(20)** Differential Pay and Reemployment (99-TC-02; Chapter 30 of the Statutes of 1998).
(20) Expulsion of Pupil: Transcript Cost for Appeals (SMAS; Chapter 1253 of the Statutes of 1975).

~~(24)~~ **(22)** Financial and Compliance Audits (CSM 4498 and CSM 4498-A; Chapter 36 of the Statutes of 1977).

~~(22)~~ **(23)** Graduation Requirements (CSM 4181; Chapter 498 of the Statutes of 1983).

~~(23)~~ ~~(24)~~ Habitual Truants (CSM 4487 and CSM 4487-A; Chapter 1184 of the Statutes of 1975).

~~(24)~~ ~~(25)~~ High School Exit Examination (00-TC-06; Chapter 1 of the Statutes of 1999, First Extraordinary Session; and Chapter 135 of the Statutes of 1999).

~~(25)~~ ~~(26)~~ Immunization Records (SB 90-120; Chapter 1176 of the Statutes of 1977).

~~(26)~~ ~~(27)~~ Immunization Records—Mumps, Rubella, and Hepatitis B (98-TC-05; 14-MR-04; Chapter 325 of the Statutes of 1978; Chapter 435 of the Statutes of 1979; Chapter 472 of the Statutes of 1982; Chapter 984 of the Statutes of 1991; Chapter 1300 of the Statutes of 1992; Chapter 1172 of the Statutes of 1994; Chapters 291 and 415 of the Statutes of 1995; Chapter 1023 of the Statutes of 1996; and Chapters 855 and 882 of the Statutes of 1997; and Chapter 434 of the Statutes of 2010).

~~(27)~~ ~~(28)~~ Immunization Records—Pertussis (11-TC-02; Chapter 434 of the Statutes of 2010).

~~(28)~~ ~~(29)~~ Interdistrict Attendance Permits (CSM 4442; Chapters 172 and 742 of the Statutes of 1986; Chapter 853 of the Statutes of 1989; Chapter 10 of the Statutes of 1990; and Chapter 120 of the Statutes of 1992).

~~(29)~~ ~~(30)~~ Intradistrict Attendance (CSM 4454; Chapters 161 and 915 of the Statutes of 1993).

~~(30)~~ ~~(31)~~ Juvenile Court Notices II (CSM 4475; Chapters 1011 and 1423 of the Statutes of 1984; Chapter 1019 of the Statutes of 1994; and Chapter 71 of the Statutes of 1995).

~~(31)~~ ~~(32)~~ Notification of Truancy (CSM 4133; Chapter 498 of the Statutes of 1983; Chapter 1023 of the Statutes of 1994; and Chapter 19 of the Statutes of 1995).

~~(32)~~ ~~(33)~~ Parental Involvement Programs (03-TC-16; Chapter 1400 of the Statutes of 1990; Chapters 864 and 1031 of the Statutes of 1998; and Chapter 1037 of the Statutes of 2002).

~~(33)~~ ~~(34)~~ Physical Performance Tests (96-365-01; Chapter 975 of the Statutes of 1995).

~~(34)~~ ~~(35)~~ Prevailing Wage Rate (01-TC-28; Chapter 1249 of the Statutes of 1978).

~~(35)~~ ~~(36)~~ Public Contracts (02-TC-35; Chapter 1073 of the Statutes of 1985; Chapter 1408 of the Statutes of 1988; Chapter 330 of the Statutes of 1989; Chapter 1414 of the Statutes of 1990; Chapter 321 of the Statutes of 1990; Chapter 799 of the Statutes of 1992; and Chapter 726 of the Statutes of 1994).

~~(36)~~ ~~(37)~~ Pupil Health Screenings (CSM 4440; Chapter 1208 of the Statutes of 1976; Chapter 373 of the Statutes of 1991; and Chapter 750 of the Statutes of 1992).

~~(37)~~ ~~(38)~~ Pupil Promotion and Retention (98-TC-19; Chapter 100 of the Statutes of 1981; Chapter 1388 of the Statutes of 1982; Chapter 498 of the Statutes of 1983; Chapter 1263 of the Statutes of 1990; and Chapters 742 and 743 of the Statutes of 1998).

~~(38)~~ ~~(39)~~ Pupil Safety Notices (02-TC-13; Chapter 498 of the Statutes of 1983; Chapter 482 of the Statutes of 1984; Chapter 948 of the Statutes of 1984; Chapter 196 of the Statutes of 1986; Chapter 332 of the Statutes of 1986; Chapter 445 of the Statutes of 1992; Chapter 1317 of the Statutes of 1992; Chapter 589 of the Statutes of 1993; Chapter 1172 of the Statutes of 1994; Chapter 1023 of the Statutes of 1996; and Chapter 492 of the Statutes of 2000).

~~(39)~~ ~~(40)~~ Race to the Top (10-TC06; Chapters 2 and 3 of the Statutes of 2009).

~~(40)~~ ~~(41)~~ School Accountability Report Cards (97-TC-21, 00-TC-09, 00-TC-13, and 02-TC-32; Chapter 918 of the Statutes of 1997; Chapter 912 of the Statutes of 1997; Chapter 824 of the Statutes of 1994; Chapter 1031 of the Statutes of 1993; Chapter 759 of the Statutes of 1992; and Chapter 1463 of the Statutes of 1989).

~~(41)~~ ~~(42)~~ School District Fiscal Accountability Reporting (97-TC-19; Chapter 100 of the Statutes of 1981; Chapter 185 of the Statutes of 1985; Chapter 1150 of the Statutes of 1986; Chapters 917 and 1452 of the Statutes of 1987; Chapters 1461 and 1462 of the Statutes of 1988; Chapter 525 of the Statutes of 1990; Chapter 1213 of the Statutes of 1991; Chapter 323 of the Statutes of 1992; Chapters 923 and 924 of the Statutes of 1993; Chapters 650 and 1002 of the Statutes of 1994; and Chapter 525 of the Statutes of 1995).

~~(42)~~ ~~(43)~~ School District Reorganization (98-TC-24; Chapter 1192 of the Statutes of 1980; and Chapter 1186 of the Statutes of 1994).

~~(43)~~ **(44)** Student Records (02-TC-34; Chapter 593 of the Statutes of 1989; Chapter 561 of the Statutes of 1993; Chapter 311 of the Statutes of 1998; and Chapter 67 of the Statutes of 2000).

~~(44)~~ **(45)** The Stull Act (98-TC-25; Chapter 498 of the Statutes of 1983; and Chapter 4 of the Statutes of 1999).

~~(45)~~ **(46)** Threats Against Peace Officers (CSM 96-365-02; Chapter 1249 of the Statutes of 1992; and Chapter 666 of the Statutes of 1995).

~~(46)~~ **(47)** Training for School Employee Mandated Reporters (14-TC-02; Chapter 797 of the Statutes of 2014).

~~(46)~~ ~~(47)~~ **(48)** Uniform Complaint Procedures (03-TC-02; Chapter 1117 of the Statutes of 1982; Chapter 1514 of the Statutes 1988; and Chapter 914 of the Statutes of 1998).

~~(47)~~ ~~(48)~~ **(49)** Williams Case Implementation I, II, and III (05-TC-04, 07-TC-06, and 08-TC-01; Chapters 900, 902, and 903 of the Statutes of 2004; Chapter 118 of the Statutes of 2005; Chapter 704 of the Statutes of 2006; and Chapter 526 of the Statutes of 2007).

(f) Notwithstanding Section 10231.5, on or before November 1 of each fiscal year, the Superintendent of Public Instruction shall produce a report that indicates the total amount of block grant funding each school district, county office of education, and charter school received in that fiscal year pursuant to this section. The Superintendent of Public Instruction shall provide this report to the appropriate fiscal and policy committees of the Legislature, the Controller, the Department of Finance, and the Legislative Analyst's Office.

Rescind Proposed Shift of Proposition 98 General Fund Discretionary/Mandate Funding

Eliminate proposed Governor's Budget amendments to Section 17581.95 of the Government Code.

Discretionary Funding and Mandate Offset

Section 17581.96 of the Government Code is added to read: (New for May Revision)

(a) (1) For the 2017-18 fiscal year, the sum of one billion twelve million two hundred eighty-eight thousand dollars (\$1,012,288,000) is hereby appropriated from the General Fund to the State Department of Education for transfer by the Controller to Section A of the State School Fund. The Superintendent of Public Instruction shall allocate those funds to school districts and county superintendents of schools in the manner, and for the purposes, set forth in this section.

(2) For purposes of this section, a school district includes a county office of education and a charter school.

(b) The Superintendent of Public Instruction shall allocate the funds appropriated pursuant to paragraph (1) of subdivision (a) to school districts on the basis of an equal amount per unit of regular average daily attendance, as those average daily attendance numbers are reported at the time of the second principal apportionment for the 2016-17 fiscal year.

(c) Allocations made pursuant to this section shall first satisfy any outstanding claims pursuant to Section 6 of Article XIII B of the California Constitution for reimbursement of state-mandated local program costs for any fiscal year. Notwithstanding Section 12419.5 and any amounts that are paid in satisfaction of outstanding claims for reimbursement of state-mandated local program costs, the Controller may audit any claim as allowed by law, and may recover any amount owed by school districts pursuant to an audit only by reducing amounts owed by the state to school districts for any other mandate claims. Under no circumstances shall a school district be required to remit funding back to the state to pay for disallowed costs identified by a Controller audit of claimed reimbursable state-mandated local program costs. The Controller shall not recover any amount owed by a school district pursuant to an audit of claimed

reimbursable state-mandated local program costs by reducing any amount owed a school district for any purpose other than amounts owed for any other mandate claims. The Controller shall apply amounts received by each school district against any balances of unpaid claims for reimbursement of state-mandated local program costs and interest in chronological order beginning with the earliest claim. The Controller shall report to each school district the amounts of any claims and interest that are offset from funds provided pursuant to this section and shall report a summary of the amounts offset for each mandate for each fiscal year to the Department of Finance and the fiscal committees of each house of the Legislature.

(d) (1) The governing board of a school district may expend the one-time funds received pursuant to this section for any purpose, as determined by the governing board of the school district.

(2) It is the intent of the Legislature that school districts shall prioritize the use of these one-time funds for deferred maintenance, professional development for educators, induction for beginning teachers with a focus on relevant mentoring, instructional materials, technology infrastructure, and any other investments necessary to support implementation of the common core standards in English language arts and mathematics, the implementation of English language development standards, and the implementation of the Next Generation Science standards.

(e) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriation made by paragraph (1) of subdivision (a) shall be deemed to be "General Fund revenues appropriated for school districts," as defined in subdivision (c) of Section 41202 of the Education Code, for the 2017-18 fiscal year, and included within the "total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B," as defined in subdivision (e) of Section 41202 of the Education Code, for the 2017-18 fiscal year.

Preschool Exemption from Title 22

Section 1596.792 of the Health and Safety Code is amended to read:

1596.792. This chapter, Chapter 3.5 (commencing with Section 1596.90), and Chapter 3.6 (commencing with Section 1597.30) do not apply to any of the following:

- (a) Any health facility, as defined by Section 1250.
- (b) Any clinic, as defined by Section 1202.
- (c) Any community care facility, as defined by Section 1502.
- (d) Any family day care home providing care for the children of only one family in addition to the operator's own children.
- (e) Any cooperative arrangement between parents for the care of their children when no payment is involved and the arrangement meets all of the following conditions:
 - (1) In a cooperative arrangement, parents shall combine their efforts so that each parent, or set of parents, rotates as the responsible caregiver with respect to all the children in the cooperative.
 - (2) Any person caring for children shall be a parent, legal guardian, stepparent, grandparent, aunt, uncle, or adult sibling of at least one of the children in the cooperative.
 - (3) There can be no payment of money or receipt of in-kind income in exchange for the provision of care. This does not prohibit in-kind contributions of snacks, games, toys, blankets for napping, pillows, and other materials parents deem appropriate for their children. It is not the intent of this paragraph to prohibit payment for outside activities, the amount of which may not exceed the actual cost of the activity.
 - (4) No more than 12 children are receiving care in the same place at the same time.
- (f) Any arrangement for the receiving and care of children by a relative.

(g) Any public recreation program. "Public recreation program" means a program operated by the state, city, county, special district, school district, community college district, chartered city, or chartered city and county that meets either of the following criteria:

(1) The program is operated only during hours other than normal school hours for kindergarten and grades 1 to 12, inclusive, in the public school district where the program is located, or operated only during periods when students in kindergarten and grades 1 to 12, inclusive, are normally not in session in the public school district where the program is located, for either of the following periods:

(A) For under 20 hours per week.

(B) For a total of 14 weeks or less during a 12-month period. This total applies to any 14 weeks within any 12-month period, without regard to whether the weeks are consecutive.

In determining "normal school hours" or periods when students are "normally not in session," the State Department of Social Services shall, when appropriate, consider the normal school hours or periods when students are normally not in session for students attending a year-round school.

(2) The program is provided to children who are over the age of four years and nine months and not yet enrolled in school and the program is operated during either of the following periods:

(A) For under 16 hours per week.

(B) For a total of 12 weeks or less during a 12-month period. This total applies to any 12 weeks within any 12-month period, without regard to whether the weeks are consecutive.

(3) The program is provided to children under the age of four years and nine months with sessions that run 12 hours per week or less and are 12 weeks or less in duration. A program subject to this paragraph may permit children to be enrolled in consecutive sessions throughout the year. However, the program shall not permit children to be enrolled in a combination of sessions that total more than 12 hours per week for each child.

(h) Extended day care programs operated by public or private schools.

(i) Any school parenting program or adult education child care program that satisfies both of the following: (1) Is operated by a public school district or operated by an individual or organization pursuant to a contract with a public school district.

(2) Is not operated by an organization specified in Section 1596.793.

(j) Any child day care program that operates only one day per week for no more than four hours on that one day.

(k) Any child day care program that offers temporary child care services to parents and that satisfies both of the following:

(1) The services are only provided to parents and guardians who are on the same premises as the site of the child day care program.

(2) The child day care program is not operated on the site of a ski facility, shopping mall, department store, or any other similar site identified by the department by regulation.

(l) Any program that provides activities for children of an instructional nature in a classroom-like setting and satisfies both of the following:

(1) Is operated only during periods of the year when students in kindergarten and grades 1 to 12, inclusive, are normally not in session in the public school district where the program is located due to regularly scheduled vacations.

(2) Offers any number of sessions during the period specified in paragraph (1) that when added together do not exceed a total of 30 days when only schoolage children are enrolled in the program or 15 days when children younger than schoolage are enrolled in the program.

(m) A program facility administered by the Department of Corrections and Rehabilitation that (1) houses both women and their children, and (2) is specifically designated for the purpose of providing substance abuse treatment and maintaining and strengthening the family unit pursuant to Chapter 4 (commencing with Section 3410) of Title 2 of Part 3 of the Penal Code, or Chapter 4.8 (commencing with Section 1174) of Title 7 of Part 2 of that code.

(n) Any crisis nursery, as defined in paragraph (17) of subdivision (a) of Section 1502.

(o) Commencing July 1, 2018, a A State Preschool program, as defined by Section 8235 of the Education Code, operating in a school building, as defined by Section 17283 of the Education Code, under contract through a local education agency, that meets all of the following conditions:

(1) The program is operated in a local educational agency facility that meets the requirements of the Field Act as specified in Article 3 (commencing with Education Code Section 17280) of Chapter 3 of Part 10.5 of Division 1 of Title 1 of the Education Code, and Article 6 (commencing with Section 17365 of the Education Code) of Chapter 3 of Part 10.5 of Division 1 of Title 1 of the Education Code and Article 7 (commencing with Section 81130) of Chapter 1 of Part 49 of Division 7 of Title 3 of the Education Code.

(2) The local educational agency facility is constructed consistent with California Building Standards Code pursuant to Title 24 of the California Code of Regulations.

(3) The local educational agency facility meets the requirements of kindergarten classrooms in accordance with School Facilities Construction pursuant to Chapter 13 of Division 1 of Title 5 of the California Code of Regulations.

(4) The program meets all other requirements of State Preschool programs pursuant to Chapter 19 of Division 1 of Title 5 of the California Code of Regulations.

A State Preschool program exempt under this subdivision shall be considered licensed under Division 12 of Title 22 of the California Code of Regulations for purposes of establishing a rating on a local Quality Rating and Improvement System matrix, pursuant to Section 8203.1.

(5) A California state preschool program exempt under this subdivision shall be considered licensed under Division 12 (commencing with Section 101151) of Title 22 of the California Code of Regulations for purposes of establishing a rating on an early learning and quality rating and improvement system matrix pursuant to Section 8203.1 of the Education Code.

(6) The California Department of Education shall conduct all necessary preparations, including but not limited to regulatory changes and issuance of management bulletins, prior to July 1, 2018. To meet this goal, the process for adopting emergency regulations set forth in Section 11346.1 of the Government Code may be followed.

Rescind Redevelopment Agency Clean-up Language

Eliminate proposed Governor's Budget amendments to Health and Safety Code section 33676.

Career Technical Education Appropriation

Section 52, Chapter 13, Statutes of 2015 is amended to read:

(New for May Revision)

(a) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, one hundred fifty million dollars (\$150,000,000) of the appropriation made by paragraph (1) of subdivision (a) of Section 53070 of the Education Code shall be deemed to be "General Fund revenues appropriated for school districts," as defined in subdivision (c) of Section 41202 of the Education Code, for the 2014–15 fiscal year, and included within the "total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B," as defined in subdivision (e) of Section 41202 of the Education Code, for the 2014–15 fiscal year.

(b) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, two hundred fifty million dollars (\$250,000,000) of the appropriation made by paragraph (1) of subdivision (a) of Section 53070 of the Education Code shall be deemed to be "General Fund revenues appropriated for school districts," as defined in

subdivision (c) of Section 41202 of the Education Code, for the 2015–16 fiscal year, and included within the “total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B,” as defined in subdivision (e) of Section 41202 of the Education Code, for the 2015–16 fiscal year.

(c) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, three hundred million dollars (\$300,000,000) of the appropriation made by paragraph (2) of subdivision (a) of Section 53070 of the Education Code shall be deemed to be “General Fund revenues appropriated for school districts,” as defined in subdivision (c) of Section 41202 of the Education Code, for the 2016–17 fiscal year, and included within the “total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B,” as defined in subdivision (e) of Section 41202 of the Education Code, for the 2016–17 fiscal year.

~~(d) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, two hundred million dollars (\$200,000,000) of the appropriation made by paragraph (3) of subdivision (a) of Section 53070 of the Education Code shall be deemed to be “General Fund revenues appropriated for school districts,” as defined in subdivision (c) of Section 41202 of the Education Code, for the 2017–18 fiscal year, and included within the “total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B,” as defined in subdivision (e) of Section 41202 of the Education Code, for the 2017–18 fiscal year.~~

LCFF Transition Funding

Add uncodified language as follows:

(a) The sum of ~~seven hundred forty-four million four hundred and five thousand dollars (\$744,405,000)~~ **one billion three hundred eighty-six million six hundred twenty thousand dollars (\$1,386,620,000)** is hereby appropriated from the General Fund to the Superintendent of Public Instruction and shall be allocated pursuant to the calculation in subdivision (b) of Section 42238.03 of the Education Code.

(b) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriations made by subdivision (a) shall be deemed to be “General Fund revenues appropriated for school districts,” as defined in subdivision (c) of Section 41202 of the Education Code, for the 2017-18 fiscal year, and included within the “total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B,” as defined in subdivision (e) of Section 41202 of the Education Code, for the 2017-18 fiscal year.

Special Education Redevelopment Agency Revenue Backfill

Add uncodified language as follows:

(a) On or before June 30, 2018, an amount to be determined by the Director of Finance shall be appropriated from the General Fund to the Superintendent of Public Instruction in augmentation of Schedule (1) of Item 6100-161-0001 of Section 2.00 of the Budget Act of ~~2016~~ **2017**.

(b) The funds appropriated in subdivision (a) shall only be available to the extent that revenues distributed to local educational agencies for special education programs pursuant to Sections 34177, 34179.5, 34179.6, and 34188 of the Health and Safety Code are less than the estimated amount reflected in the Budget Act of 2017, as determined by the Director of Finance.

(c) On or before June 30, 2018, the Director of Finance shall determine if the revenues distributed to local educational agencies for special education programs pursuant to Sections

34177, 34179.5, 34179.6, and 34188 of the Health and Safety Code exceed the estimated amount reflected in the Budget Act of 2017 and shall reduce Schedule (1) of Item 6100-161-0001 of Section 2.00 of the Budget Act of 2017 by the amount of that excess.

(d) In making the determinations pursuant to subdivisions (b) and (c), the Director of Finance shall consider any other local property tax revenues collected in excess or in deficit of the estimated amounts reflected in the Budget Act of 2017.

(e) The Director of Finance shall notify the Chairperson of the Joint Legislative Budget Committee, or his or her designee, of his or her intent to notify the Controller of the necessity to release funds appropriated in subdivision (a) or to make the reduction pursuant to subdivision (c), and the amount needed to address the property tax shortfall determined pursuant to subdivision (b) or the amount of the reduction made pursuant to subdivision (c). The Controller shall make the funds available pursuant to subdivision (a) not sooner than five days after this notification and the State Department of Education shall work with the Controller to allocate these funds to local educational agencies as soon as practicable.

(f) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriations made by subdivision (a) shall be deemed to be "General Fund revenues appropriated for school districts," as defined in subdivision (c) of Section 41202 of the Education Code, for the 2017-18 fiscal year, and included within the "total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B," as defined in subdivision (e) of Section 41202 of the Education Code, for the 2017-18 fiscal year.

SoCal ROC Transition Funding

Add uncodified language as follows:

(New for May Revision)

(a) The sum of four million dollars is hereby appropriated in the 2017-18 fiscal year from the General Fund to the Southern California Regional Occupational Center for instructional and operational costs. This allocation is intended to assist the Southern California Regional Occupational Center transition to a fully fee-supported funding model as the Local Control Funding Formula reaches full implementation.

(b) It is the intent of the Legislature to allocate additional resources to the Southern California Regional Occupational Center in accordance with the following schedule:

(1) For the 2018-19 fiscal year, three million dollars (\$3,000,000).

(2) For the 2019-20 fiscal year, two million dollars (\$2,000,000).

(3) For the 2020-21 fiscal year, one million dollars (\$1,000,000).

(c) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the amount appropriated in subdivision (a) shall be deemed to be "General Fund revenues appropriated for school districts," as defined in subdivision (c) of Section 41202 of the Education Code, for the 2017-18 fiscal year, and included within the "total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B," defined in subdivision (e) of Section 41202 of the Education Code, for the 2017-18 fiscal year.

Local Control and Accountability Plan Electronic Template

Add uncodified language as follows:

(New for May Revision)

(a) The sum of three hundred and fifty thousand dollars (\$350,000) in one-time Proposition 98 General Fund in 2017-18 is hereby appropriated to the Superintendent of Public Instruction for

support and development of the Local Control and Accountability Plan Electronic Template system.

(b) For the purposes outlined in subdivisions (a), the State Department of Education, in collaboration with and subject to the approval of the executive director of the State Board of Education, shall enter into a contract with the San Joaquin County Office of Education to host, maintain, and support the development of the Local Control and Accountability Plan Electronic Template system.

When performing these activities, the San Joaquin County Office of Education may enter into appropriate contracts for the provision of support and services as necessary, and shall ensure alignment of the electronic template with California's accountability system, including but not limited to, the School Accountability Report Card and the California School Dashboard, accommodate state and local data availability, and reflect consistency with implementation of the local control funding formula.

(c) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriation made by subdivision (a) shall be deemed to be "General Fund revenues appropriated for school districts," as defined in subdivision (c) of Section 41202 of the Education Code, for the 2017–18 fiscal year, and included within the "total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B," as defined in subdivision (e) of Section 41202 of the Education Code, for the 2017–18 fiscal year.

Contingency Appropriation Language

Add uncodified language as follows:

(New for May Revision)

(a) The funds appropriated in the 2017-18 fiscal year pursuant to subdivision (a) of Section 17581.96 of the Government Code and one hundred twenty-four million two hundred twenty thousand (\$124,220,000) of the funds appropriated in the 2017-18 fiscal year pursuant to Schedule (24) of Item 6870-101-0001 of Section 2.00 of the Budget Act of 2017, shall be disbursed by the State Controller in an amount determined by the Director of the Department of Finance pursuant to subdivision (b) of this section, and in accordance with the timeframe specified in subdivisions (c) and (d) of this section.

(b) On or before May 15, 2019, the Director of the Department of Finance shall determine if the Proposition 98 guarantee for the 2017-18 fiscal year is greater than, equal to, or less than the amount reflected in the Budget Act of 2017 for that year.

(1) To the extent that the Director of the Department of Finance determines the Proposition 98 guarantee for the 2017-18 fiscal year to be greater than, or equal to, the amount reflected in the Budget Act of 2017 for that year, the funds specified in subdivision (a) of this section shall be allocated in full pursuant to subdivisions (c) and (d) of this section.

(2) To the extent that the Director of the Department of Finance determines the Proposition 98 guarantee for the 2017-18 fiscal year to be less than the amount reflected in the Budget Act of 2017 for that year, the funds specified in subdivision (a) of this section shall be reduced proportionately in an amount equal to the calculated reduction in the 2017-18 Proposition 98 guarantee, up to the entire amount specified in subdivision (a). Any funds determined to be available for allocation pursuant to this subparagraph shall be distributed pursuant to subdivisions (c) and (d) of this section.

(c) The Director of the Department of Finance shall notify the Chairperson of the Joint Legislative Budget Committee of his or her intent to notify the State Controller of the necessity to take action pursuant to subdivisions (a) and (b), and shall report the amount to be appropriated, if any, pursuant to subdivision (b).

(d) The State Controller shall make funds available pursuant to subdivision (b) not sooner than five days after notification by the Director of the Department of Finance. The Superintendent of Public Instruction and the Chancellor of the California Community Colleges shall work with the State Controller to allocate these funds to school districts, county offices of education, charter schools and community college districts as soon as practicable.

(e) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriations determined pursuant to subdivision (b) shall be deemed to be "General Fund revenues appropriated for school districts and community college districts," as defined in subdivisions (c) and (d) of Section 41202, for the 2017-18 fiscal year, and included within the "total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B," as defined in subdivision (e) of Section 41202, for the 2017-18 fiscal year.

California Educator Development Program

Add uncodified language as follows:

(New for May Revision)

(a) Subject to an appropriation in the annual Budget Act or other statute, the Commission on Teacher Credentialing, in conjunction with the California Center for Teaching Careers, shall develop a competitive grant program that assists local educational agencies with the recruitment and retention of effective school leaders and educators pursuant to the requirements of the federal Every Student Succeeds Act of 2015 (P.L. 114-95), subsection (c), Paragraphs (3) and (4), of Section 2101, of Title II. The grant program shall be known as the California Educator Development (CalED) Program and is designed to enhance the state's efforts to address teacher recruitment and retention issues throughout the state by assisting local educational agencies with attracting and supporting the preparation and continued learning of teachers, principals and other school leaders.

(b) The Center, in consultation with the Commission, shall issue a request for proposals to all school districts, charter schools, and county offices of education in the state to solicit applications for the CalEd Program and shall issue one-time grants to successful applicants through a competitive process, while ensuring the following:

(1) An amount equal to the maximum amount allowable by the Every Student Succeeds Act of 2015 (P.L. 114-95), subsection (c), Paragraph (3), of Section 2101 of Title II, is allocated to grantees for activities that support principals and other school leaders.

(2) The remaining amount is allocated to grantees for activities that result in new credentials authorizing teachers to provide instruction in special education, math, science, and bilingual education, pursuant to the federal Every Student Succeeds Act of 2015 (P.L. 114-95), subsection (c), Paragraph (4), of Section 2101 of Title II.

(3) At least 30 grants be awarded statewide in amounts not less than \$100,000 each and not more than \$1,250,000 each.

(c) A grant recipient shall consist of one or more, or any combination, of the following:

(1) School districts.

(2) County offices of education.

(3) Charter schools.

(d) A grant recipient may partner with any or all of the following:

(1) Private or public postsecondary institution.

(2) Community college.

(3) Private, nonprofit organization that specializes in attracting, or supporting the preparation and continued learning of, teachers, principals, and other school leaders.

(e) As a condition of receiving a grant award, a grant recipient shall do all of the following:

(1) Provide an equal match of resources for any funding received from this program to supplement the grant award.

(2) Ensure activities proposed in the grant application conform to the activities in subsection (c), Paragraphs (3) and (4), as applicable, of Section 2101, of Title II of the federal Every Student Succeeds Act of 2015 (P.L. 114-95).

(3) Agree to report data to allow for an evaluation of the effectiveness of CalED.

(f) When determining grant recipients, the Center, in consultation with the Commission, shall do all of the following:

(1) Give positive consideration to each of the following characteristics of an applicant:

(A) Demonstrated need for educators in subjects of special education, math, science, and bilingual education, and/or a demonstrated need for school leadership development.

(B) Serving unduplicated pupils as defined in Section 42238.02.

(C) Operating within a rural school district.

(D) Operating using a high number of emergency permits to staff classrooms.

(E) Applying as part of a consortium of local educational agencies.

(F) Demonstrated need to improve equitable access of all pupils to effective educators.

(G) Geographic location of grant recipient.

(2) Give positive consideration to applications that propose to do any of the following:

(A) Recruit, train, and support new or existing educators to earn a credential that authorizes the credential holder to provide instruction in special education, math, science, or bilingual education.

(B) Provide activities to support the development of principals and other school leaders.

(C) Provide high quality new teacher and principal induction and mentoring.

(D) Engage in regional collaboration with a postsecondary educational institution, community college, or other local educational agencies.

(E) Participate in recruitment and hiring activities in coordination with the California Center for Teaching Careers.

(3) When determining grant recipients, the Center, in consultation with the Commission, shall give greatest weight to the application characteristics included in paragraph (1) of subdivision (f).

(g) The Center, in consultation with the Commission, shall review grant applications, select grant recipients, award grants, collect data, and report outcomes to the chairpersons and vice chairpersons of the budget committees of each house of the Legislature, the Legislative Analyst's Office, and the Department of Finance by October 1 of each year.