

CENTRAL ELEMENTS OF AB 18 (Brownley)

AB 18 is a vehicle for comprehensively reforming the state’s public school finance system. The first step in this reform process is to simplify the number of funding streams provided to school districts and to provide continuing flexibility in the expenditure of those funds. This bill, commencing at the end of the current budget flexibility provisions, treats current categorical funding streams in one of four ways:

- 1) Categorical funding and current revenue limit add-ons that are provided in a broad-based manner for programs that are part of the base educational or operational program of the district are consolidated into an add-on to revenue limit funding for school districts and thus provided on a per ADA basis; this funding becomes discretionary for the school district and provides a greater level of base funding.
- 2) Categorical funding currently targeted to English learner or economically disadvantaged pupils is consolidated into the Target Pupil Equity Grant and is provided on the basis of the number of EL and economically disadvantaged pupils; this funding is required to be expended on services to support learning and improved academic performance for those students. The bill states Legislative intent to provide for future cost of living and equalization adjustments to this funding, as funds are available in future years, and establishes this grant as the weighted targeted funding in what can be viewed as a weighted student funding approach.
- 3) Categorical funding currently provided for class-size reduction and professional development is consolidated into the Quality Instruction Grant and is provided on the basis of ADA; this funding is required to be expended on class-size reduction, professional development, or in support of leadership coaching and individualized support, teacher/administrator/staff mentoring or coaching, teacher recruitment programs, intern programs, or support and assessment for beginning teachers. The bill states Legislative intent to provide for future cost of living and equalization adjustments to this funding, as funds are available in future years.
- 4) Funding that, for various reasons, remains outside of this proposal at this time. Primarily this includes funding for special education, funding that has interactions programs operated by entities outside of the traditional educational system (e.g., Indian Education Centers), county offices of education, career technical education, and funding for capital purchases.

The bill also makes proposals regarding school-level financial reporting. The tables below provided more detail on how the school finance reform proposal treats various funding streams.

Added to Base Funding	
Budget Item	Program
	Unemployment Insurance RL Add-on – 15 year avg.
	PERS Adjustment Add-on – 15 year avg.
6110-108-0001	Supplemental School Counseling Program
6110-111-0001	Home to School Transportation (except Special Ed)
6110-122-0001	Specialized Secondary Program Grants
6110-124-0001	Gifted and Talented Program
6110-181-0001	Educational Technology - CTAP
6110-187-0001	Emergency Repair Program
6110-188-0001	Deferred Maintenance
6110-189-0001	Instructional Materials Block Grant

Added to Base Funding (cont)	
Budget Item	Program
6110-190-0001	Community Day Schools
6110-195-0001	National Board Certification Incentives
6110-198-0001	California School Age Families Education (CalSAFE)
6110-204-0001	California High School Exit Exam-Instructional Support and Services
6110-208-0001	Civic Education
6110-209-0001	Teacher Dismissal Apportionment
6110-228-0001	School Safety Block Grant (8-12)
6110-232-0001	Class Size Reduction (9th Grade)
6110-240-0001	Advanced Placement and International Baccalaureate Programs
6110-243-0001	Pupil Retention Block Grant
6110-247-0001	School and Library Improvement Block Grant
6110-248-0001	School Safety Consolidated Competitive Grants
6110-265-0001	Arts and Music Block Grant
6110-268-0001	Child Oral Health Assessments
6110-156-0001	Adult Education - Schedule (1)

Targeted Pupil Equity Grant	
Budget Item	Program
6110-104-0001	Supplemental Instruction (Summer School)
6110-128-0001	Economic Impact Aid
6110-150-0001	American Indian Early Childhood Education Centers
6110-156-0001	Adult Education Schedule (2) & (3)
6110-211-0001	Charter School Categorical Block Grant (Targeted programs proportion)
6110-212-0001	New School Categorical Funding (Targeted programs proportion)
6110-227-0001	Community-Based English Tutoring Program
6110-246-0001	Targeted Instructional Improvement Block Grant

Quality Instruction Grant	
Budget Item	Program
6110-137-0001	Mathematics and Reading Professional Development Program
6110-144-0001	Administrator Training Program
6110-193-0001	Bilingual Teacher Training Assistance Program - Schedule (1)
6110-193-0001	Teacher Peer Review - Schedule (2)
6110-234-0001	Class Size Reduction (K-3)
6110-244-0001	Teacher Credentialing Block Grant
6110-245-0001	Professional Development Block Grant
6110-260-0001	Physical Education Teacher Incentive Grants
6110-267-0001	Certificated Staff Mentoring

Funding Streams Not Consolidated in AB 18		
	Budget Item	Program
Spec Ed	6110-111-0001	Home to School Transportation - Special Education
	6110-161-0001	Special Education
	6110-193-0001	Reader Services for Blind Teachers
Funding	6110-119-0001	Foster Youth Programs
Interactions	6110-201-0001	Child Nutrition Breakfast Startup
	6110-203-0001	Child Nutrition
	6110-649-0001	After School Programs
COE	6110-107-0001	County Offices of Education Fiscal Oversight
	6110-107-0349	County Offices of Education Fiscal Oversight
	6110-140-0349	California School Information Services Project
	6110-266-0001	County Office of Education: Williams Audits
Funds	6110-113-0001	Student Assessment Testing
to Other	6110-151-0001	American Indian Education Centers
Entities	6110-158-0001	Adults in Correctional Facilities
	6110-182-0001	K-12 Internet Access
	6110-196-0001	Child Development
	6110-242-0001	California Association of Student Councils
CTE	6110-103-0001	Apprentice Program
	6110-105-0001	Regional Occupational Centers and Programs
	6110-166-0001	Partnership Academies
	6110-167-0001	Agricultural Vocational Education
Capital	6110-220-0001	Charter School Facility Grant Program
Funding	6110-111-0001	Small School District Bus Replacement