

AMENDED IN SENATE JULY 5, 2011
AMENDED IN ASSEMBLY MAY 27, 2011
AMENDED IN ASSEMBLY APRIL 27, 2011
CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 18

Introduced by Assembly Member Brownley

December 6, 2010

An act to amend Section 60119 of, to add Sections 41055, 42238.01, and 42238.486 to, to add Article 5 (commencing with Section 42310) to Chapter 7 of Part 24 of Division 3 of Title 2 of, and to add and repeal Section 41054 of, the Education Code, relating to education finance.

LEGISLATIVE COUNSEL'S DIGEST

AB 18, as amended, Brownley. Education finance: school-based financial reporting system: Targeted Pupil Equity funding: Quality Instruction funding.

(1) Existing law establishes the public school system in this state, and, among other things, provides for the establishment of school districts throughout the state and for their provision of instruction at the public elementary and secondary schools they operate and maintain. Existing law establishes a public school funding system that includes, among other elements, the provision of funding to local educational agencies through state apportionments, the proceeds of property taxes collected at the local level, and other sources.

This bill would enact the Education Finance Reform Act. The bill would require the Superintendent of Public Instruction, on or before December 1, 2012, to make recommendations to the Legislature and the Governor regarding prescribed topics relating to the statutory and

regulatory changes that would be necessary to support the development, implementation, and use of comprehensive school-level financial data. These provisions would be repealed on December 1, 2015. The bill would require the Superintendent, on or before July 1, 2012, to make all ministerial changes that are necessary to support the future reporting of school-level financial data by local educational agencies, as specified. The bill also would require the Superintendent, on or before July 1, 2012, and annually thereafter, to notify the superintendent of each school district and county office of education, and the administrator of each charter school, of specified items relating to tracking and reporting school-level financial data.

(2) Existing law requires the county superintendent of schools to determine a revenue limit for each school district in the county pursuant to a specified formula based on the base revenue limit of the school district for the prior *fiscal* year, adjusted for inflation, and based on the average daily attendance for the entire school district.

This bill would require the Superintendent of Public Instruction, commencing with the 2015–16 fiscal year and each fiscal year thereafter, to compute an amount to be apportioned in addition to the revenue limit of each school district. This amount would be calculated by multiplying a per pupil base amount determined for each school district in accordance with a formula utilizing the average daily attendance of each school district, and the amount of funding provided by specified items of the annual Budget Act, for the 2014–15 fiscal year.

(3) Existing law establishes various public education programs pursuant to which funds are allocated by the state to local educational agencies.

This bill would establish Targeted Pupil Equity funding, pursuant to which, commencing with the 2015–16 fiscal year and each fiscal year thereafter, the Superintendent of Public Instruction would apportion supplemental funds to school districts and charter schools, in accordance with a prescribed formula, for any educational purpose that provides instruction or support services to English learners and low-income pupils, with the goal of improving the academic performance or workforce preparation of those pupils.

This bill would also establish Quality Instruction funding, pursuant to which, commencing with the 2015–16 fiscal year and each fiscal year thereafter, the Superintendent would apportion funds to school districts and charter schools *identified as reporting average daily attendance, as determined at the 2014–15 2nd principal apportionment,*

based on attendance of pupils in kindergarten and grades 1 to 3, inclusive, in accordance with a prescribed formula, for any of several specified purposes, including the reduction of class sizes in kindergarten and grades 1 to 3, inclusive, the provision of professional development training to school personnel, the provision of leadership coaching and individualized support to schoolsite staff, the provision of mentoring or coaching in order to support beginning teachers, the establishment of teacher recruitment programs that provide professional development assistance to paraprofessionals in order for them to obtain teaching credentials, the establishment of intern programs to provide an alternative route for individuals to obtain teaching credentials, and the provision of support for beginning teacher support and assessment.

The bill would also require, for each school district and charter school not identified as reporting average daily attendance, as determined at the 2014–15 2nd principal apportionment, based on attendance of pupils in kindergarten and grades 1 to 3, inclusive, that Quality Instruction funding apportioned to those school districts and charter schools be used for the purposes similar to those authorized for the school districts and charter schools reporting average daily attendance in kindergarten and grades 1 to 3, inclusive, except that the use of Quality Instruction funding for the reduction of class sizes by the school districts and charter schools not reporting average daily attendance based on attendance of pupils in kindergarten and grades 1 to 3, inclusive, would not be authorized.

(4) Existing law requires that, in order to be eligible for specified funds, a school district take steps to ensure that each pupil in each school in the district has sufficient textbooks or instructional materials, as defined.

This bill would provide that for purposes of these provisions, sufficient textbooks or instructional materials means, among other things, that all pupils within the local educational agency who are enrolled in the same course have identical textbooks and instructional materials, as prescribed.

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

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

- 1 SECTION 1. This act shall be known, and may be cited, as the
- 2 Education Finance Reform Act.

1 SEC. 2. (a) The Legislature finds and declares all of the
2 following:

3 (1) The 22 studies of the Getting Down to Facts Project, the
4 Governor's Committee on Education Excellence, and subsequent
5 research from the Public Policy Institute of California were
6 consistent in their conclusions that California's current education
7 finance system is overly complex, irrational, and burdensome, and
8 is in need of a long-term plan for comprehensive reform.

9 (2) The complexity of the current system poses a major obstacle
10 to transparency and effectiveness. It is almost impossible to
11 determine how much revenue each school district receives or how
12 those revenues are spent, let alone to report this information to
13 local communities, stakeholders, and the state.

14 (3) The current system is not logical, with district revenues that
15 are largely a historical artifact of spending in the 1970s combined
16 with a confusing, bureaucratic, report-driven, and burdensome
17 system of categorical programs. Disparities in school and school
18 district revenues are substantial and are not aligned to pupil or
19 educator needs.

20 (4) The system places substantial restrictions on the use of
21 resources by schools and school districts, creating high compliance
22 costs and making it difficult for local educators to respond to the
23 needs of their pupils. Fewer paperwork requirements and more
24 flexibility in allocating resources are cited by school principals as
25 two of the most important factors in improving pupil outcomes.

26 (5) Many schools and school districts lack the proper tools or
27 capacity to ensure that money is spent on the most effective
28 programs and practices. Research consistently finds that successful
29 schools use data to inform teaching practices and innovation.
30 However, California schools and school districts vary widely in
31 their use of data and in their capacity to use data to improve pupil
32 performance.

33 (6) Ensuring that money is spent efficiently and effectively
34 requires a complete understanding of how money is allocated to
35 and by school districts and how it is spent within schools. However,
36 California does not collect financial data that is useful for
37 determining the effectiveness of resources at the state, school
38 district, or school levels.

39 (7) The ability to make linkages between information about
40 financial resources and data on programs and pupil performance

1 is necessary to enable policymakers, parents, and the public to
2 evaluate educational programs and more effectively target those
3 financial resources.

4 (8) Research has shown that per pupil funding amounts provided
5 to English learners and to pupils in poverty differ across school
6 districts, and that there is a need for targeted resources to cover
7 the costs of educating those pupils.

8 (9) California is currently facing lawsuits which claim that the
9 state's system for funding public education is deficient. One lawsuit
10 claims that the system is unconstitutional in that it fails to provide
11 all pupils with equal access to the required educational program,
12 while a second lawsuit seeks to have the state take the individual
13 educational needs of each pupil into consideration when it makes
14 funding decisions pursuant to the system.

15 (b) Therefore, it is the intent of the Legislature to do all of the
16 following:

17 (1) Build on previous research and recommendations to produce
18 a comprehensive plan for finance reform to support pupil
19 achievement, with specific consideration given to the interactions
20 of incentives in school finance formulas.

21 (2) Establish simpler pupil-based formulas for allocating funding
22 to each local educational agency that provide base funding along
23 with an amount that is tied to the specific needs of the pupils in
24 the local educational agency and the costs of educating those
25 pupils.

26 (3) Make the allocation of funding more rational and equitable
27 so that the revenues received by each local educational agency
28 reflect the actual cost of educating pupils with varying needs in
29 varying environments, so that all pupils are prepared, at the end
30 of their elementary and secondary education, for college, careers,
31 and successful participation in our democratic institutions, no
32 matter where they live or what their economic, racial, or ethnic
33 background may be.

34 (4) Support accountability and local flexibility by increasing
35 the transparency of state funding mechanisms and of expenditure
36 decisions at the local level, and by facilitating the equitable
37 allocation of funds across schools within each school district in a
38 manner that reflects the specific needs of the pupils in those schools
39 and the costs of educating those pupils.

1 (5) Improve the reporting of financial data so that programmatic
2 investments can be linked to programs that increase pupil
3 achievement.

4 (6) Support continuous improvement by requiring periodic
5 review of the school finance system and of local resource decisions.

6 (7) Hold local educational agencies harmless, and transition to
7 the new system gradually, as new moneys become available.

8 SEC. 3. Section 41054 is added to the Education Code, to read:

9 41054. (a) On or before December 1, 2012, the Superintendent
10 shall make recommendations to the Legislature and the Governor
11 concerning statutory and regulatory changes that would be
12 necessary to support the development, implementation, and use
13 of comprehensive school-level financial data that would be used
14 to produce all of the following:

15 (1) Simple to use, transparent, and informative school-level
16 financial reports showing both the source of school-level revenue
17 and the expenditures made by each school.

18 (2) In-depth analyses of school-level financial data, including,
19 but not necessarily limited to, analyses by fund source, function,
20 program, and object.

21 (3) Comparisons of financial data across schools, both within
22 the district and outside of the district, and over time.

23 (4) Linkages between school-level financial, demographic,
24 programmatic, and academic achievement data so as to facilitate
25 program and policy evaluation.

26 (5) A comprehensive means for the education community,
27 policymakers, researchers, and the public to easily access
28 information about all aspects of the performance of each school
29 in the state.

30 (b) The Superintendent's recommendations made pursuant to
31 subdivision (a) shall focus on all changes that are necessary to
32 support the future reporting of school-level financial data by local
33 educational agencies and to support the comprehensive uses
34 described in subdivision (a). These recommendations shall address,
35 but not necessarily be limited to, all of the following:

36 (1) Modifications to the School Accountability Report Card.

37 (2) Changes to existing data collections or the implementation
38 of new data collections.

1 (3) Changes to the state’s Education Information System,
2 especially to facilitate the linking of school financial, demographic,
3 and pupil program data.

4 (4) Changes to the state’s hardware and software support or
5 capacity, or other information technology needs that would be
6 necessary to support publicly available school-level data analysis
7 and evaluative tools, as well as publicly available school-level
8 reports.

9 (c) It is the intent of the Legislature that the Superintendent, in
10 making the recommendations pursuant to this section, shall do
11 both of the following:

12 (1) Build upon previous research, reports, evaluations, audits,
13 and studies.

14 (2) Develop the recommendations in consultation with
15 policymakers, members of the education community, members of
16 the public, and other stakeholders.

17 (d) (1) A report to be submitted pursuant to subdivision (a) shall
18 be submitted in compliance with Section 9795 of the Government
19 Code.

20 (2) Pursuant to Section 10231.5 of the Government Code, this
21 section is repealed on December 1, 2015.

22 SEC. 4. Section 41055 is added to the Education Code, to read:

23 41055. (a) On or before July 1, 2012, the Superintendent shall
24 make all ministerial changes that are necessary to support the future
25 reporting of school-level financial data by local educational
26 agencies. These changes shall include, but are not limited to, all
27 of the following:

28 (1) Modifications to the standardized account code structure.

29 (2) Modifications to the California School Accounting Manual.

30 (3) Modifications to financial regulations imposed upon or other
31 instructions provided to school districts, county offices of
32 education, or charter schools.

33 (b) On or before July 1, 2012, and annually thereafter, the
34 Superintendent shall notify the superintendent of each school
35 district and county office of education, and the administrator of
36 each charter school, of both of the following:

37 (1) The capacity for the tracking and reporting of school-level
38 financial data using the standardized account code structure
39 developed by the department and used for the purpose of financial
40 accounting and reporting in public schools and districts.

1 (2) Directions for using the standardized account code structure
2 to track and report school-level financial data.

3 (c) The notification made pursuant to subdivision (b) shall be
4 updated as necessary each year to include any changes that result
5 from the recommendations made by the Superintendent pursuant
6 to Section 41054, and any ministerial changes made by the
7 Superintendent pursuant to subdivision (a).

8 SEC. 5. Section 42238.01 is added to the Education Code,
9 immediately following Section 42238, to read:

10 42238.01. Commencing with the 2015–16 fiscal year and each
11 fiscal year thereafter, the Superintendent shall multiply the per
12 pupil base funding amount calculated for each school district
13 pursuant to Section 42238.486 by the district average daily
14 attendance computed pursuant to Section 42238.5, and shall
15 apportion the resulting base funding amount in addition to the
16 apportionment calculated in subdivision (h) of Section 42238.

17 SEC. 6. Section 42238.486 is added to the Education Code, to
18 read:

19 42238.486. (a) For the 2015–16 fiscal year, the Superintendent
20 shall calculate a per pupil base funding amount for each school
21 district by dividing the *school district's* average daily attendance
22 as determined for the 2014–15 fiscal year pursuant to Section
23 42238.5, into the sum of the *school district's allocations from the*
24 following amounts:

25 (1) Funding provided pursuant to Items 6110-108-0001,
26 6110-122-0001, 6110-124-0001, 6110-181-0001, ~~6110-187-0001,~~
27 ~~6110-188-0001, 6110-189-0001, 6110-190-0001~~ 6110-189-0001,
28 6110-198-0001, 6110-204-0001, 6110-208-0001, 6110-209-0001,
29 6110-228-0001, 6110-232-0001, 6110-240-0001, 6110-243-0001,
30 6110-247-0001, 6110-248-0001, 6110-265-0001, and
31 6110-268-0001 of Section 2.00 of the annual Budget Act as those
32 items are funded for the 2014–15 fiscal year.

33 ~~(2) Funding provided pursuant to Schedule (1) of Item~~
34 ~~6110-156-0001 of Section 2.00 of the annual Budget Act as that~~
35 ~~item is funded for the 2014–15 fiscal year.~~

36 ~~(3)~~

37 (2) That portion of the funding provided pursuant to Item
38 6110-111-0001 of Section 2.00 of the annual Budget Act as that
39 item is funded for the 2014–15 fiscal year, that is not apportioned

1 to each school district by the Superintendent pursuant to Section
2 41851.5.

3 ~~(4) The average adjustment made to revenue limits pursuant to~~
4 ~~Section 42238.12 over the preceding 15 years as calculated by the~~
5 ~~Superintendent as follows:~~

6 ~~(A) For each of the 2000–01 to 2014–15 fiscal years, inclusive,~~
7 ~~calculate a per pupil amount by dividing the total additional~~
8 ~~revenue received pursuant to Section 42238.12 by average daily~~
9 ~~attendance calculated pursuant to Section 42238.5 for that fiscal~~
10 ~~year.~~

11 ~~(B) Calculate a 15-year average per pupil amount by dividing~~
12 ~~the sum of the amounts calculated in subparagraph (A) by 15.~~

13 ~~(C) Multiply the amount calculated in subparagraph (B) by the~~
14 ~~average daily attendance for the 2014–15 fiscal year as calculated~~
15 ~~pursuant to Section 42238.5.~~

16 ~~(5) The average adjustment made to revenue limits pursuant to~~
17 ~~Section 42241.7 over the preceding 15 years as calculated by the~~
18 ~~Superintendent as follows:~~

19 ~~(A) For each of the 2000–01 to 2014–15 fiscal years, inclusive,~~
20 ~~calculate a per pupil amount by dividing the total additional~~
21 ~~revenue received pursuant to Section 42241.7 by the average daily~~
22 ~~attendance calculated pursuant to Section 42238.5 for that fiscal~~
23 ~~year.~~

24 ~~(B) Calculate a 15-year average per pupil amount by dividing~~
25 ~~the sum of the amounts calculated in subparagraph (A) by 15.~~

26 ~~(C) Multiply the amount calculated in subparagraph (B) by the~~
27 ~~average daily attendance for the 2014–15 fiscal year as calculated~~
28 ~~pursuant to Section 42238.5.~~

29 *(3) That portion of the funding provided pursuant to Item*
30 *6110-188-0001 of Section 2.00 of the annual Budget Act as that*
31 *item is funded for the 2014–15 fiscal year, that is not reserved by*
32 *the State Allocation Board, pursuant to Section 17587, for*
33 *apportionments to school districts in instances of extreme hardship.*

34 (b) For the 2016–17 fiscal year and every fiscal year thereafter,
35 the per pupil base funding amount for each *school* district shall be
36 calculated to be the amount calculated pursuant to this section for
37 the prior fiscal year.

38 (c) It is the intent of the Legislature that school districts use the
39 base funding provided in this section, in conjunction with other
40 base funding provided to school districts, for any educational

1 purpose necessary to maintain and improve the educational services
 2 provided to all pupils in the district.

3 (d) Any instructional materials purchased by a local educational
 4 agency shall be the materials adopted by the state board for
 5 kindergarten and grades 1 to 8, inclusive, and for grades 9 to 12,
 6 inclusive, the materials purchased shall be aligned with state
 7 standards as defined in Section ~~60605~~, and shall also meet 60605.
 8 *A local educational agency that receives the base funding provided*
 9 *in this section is subject to the reporting and sufficiency*
 10 *requirements contained in Section 60119.*

11 ~~(e) For purposes of this section, “sufficiency” means that each~~
 12 ~~pupil has sufficient textbooks and instructional materials in the~~
 13 ~~four core areas as defined in Section 60119 and that all pupils~~
 14 ~~within the local educational agency who are enrolled in the same~~
 15 ~~course shall have identical textbooks and instructional materials,~~
 16 ~~as specified in Section 1240.3.~~

17 ~~(f)~~

18 (e) A school district that received funding under Item
 19 6110-198-0001 of Section 2.00 of the annual Budget Act for the
 20 2014–15 fiscal year and operates the child care component of the
 21 Cal-SAFE program shall comply with paragraphs (5) and (6) of
 22 subdivision (c) of Section 54746.

23 (f) *A local educational agency that receives the base funding*
 24 *provided in this section shall maintain a facilities inspection system*
 25 *to ensure that each of its schools is maintained in “good repair,”*
 26 *as specified in subdivision (d) of Section 17002.*

27 (g) *A local educational agency that receives the base funding*
 28 *provided in this section shall satisfy the requirements set forth in*
 29 *subdivisions (c) and (d) of Section 37254, Section 52378,*
 30 *subdivision (d) of Section 52379, and Section 52380.*

31 (h) *The department shall ensure that funds apportioned pursuant*
 32 *to this section are separately accounted for in the Standardized*
 33 *Account Code Structure in a manner that allows these funds and*
 34 *the resulting expenditure of these funds to be differentiated from*
 35 *funds apportioned pursuant to other sections of law.*

36 ~~(g)~~

37 (i) Nothing in this section shall be interpreted to authorize a
 38 school district that receives funding on behalf of a charter school
 39 pursuant to Section 47651 to redirect this funding for another

1 purpose unless otherwise authorized in law or pursuant to an
2 agreement between a charter school and its chartering authority.

3 SEC. 7. Article 5 (commencing with Section 42310) is added
4 to Chapter 7 of Part 24 of Division 3 of Title 2 of the Education
5 Code, to read:

6

7 Article 5. Targeted Pupil Equity Funding and Quality Instruction
8 Funding
9

10 42310. (a) Targeted Pupil Equity funding is hereby established.

11 (b) Commencing with the 2015–16 fiscal year and for each
12 fiscal year thereafter, the Superintendent shall apportion Targeted
13 Pupil Equity funding to each school district and charter school for
14 the purposes specified in subdivision (c), based on a per pupil
15 funding amount calculated pursuant to subdivision (d) multiplied
16 by the sum of the count of English learners determined pursuant
17 to subdivision (b) of Section 54023 and the count of economically
18 disadvantaged pupils as determined pursuant to subdivision (a) of
19 Section 54023, for that school district or charter school in that
20 fiscal year.

21 (c) Unless otherwise prohibited under federal law or otherwise
22 specified in this section, school districts and charter schools shall
23 use funding received pursuant to subdivision (b), as a supplement
24 to funds otherwise provided for these pupils, for any educational
25 purpose that provides instruction or support services to English
26 learners and low-income pupils, with the goal of improving the
27 academic performance or workforce preparation of those pupils.

28 (d) (1) For the 2015–16 fiscal year, the per pupil funding
29 amount for each school district and charter school shall be
30 calculated by dividing the sum of the *school district's* count of
31 English learners determined pursuant to subdivision (b) of Section
32 54023 for the 2014–15 fiscal year and the *school district's* count
33 of economically disadvantaged pupils as determined pursuant to
34 subdivision (a) of Section 54023 for the 2014–15 fiscal year, into
35 the sum of the *school district's allocations from the* following
36 amounts:

37 (A) Funding provided pursuant to Items 6110-104-0001,
38 6110-128-0001, 6110-150-0001, 6110-227-0001, and
39 6110-246-0001 of Section 2.00 of the annual Budget Act as those
40 items are funded for the 2014–15 fiscal year.

1 ~~(B) Funding provided pursuant to Schedules (2) and (3) of Item~~
 2 ~~6110-156-0001 of Section 2.00 of the annual Budget Act as that~~
 3 ~~item is funded for the 2014–15 fiscal year, to the extent that~~
 4 ~~Schedules (2) and (3) of that item provide funding for instruction~~
 5 ~~of CalWORKs-eligible pupils.~~

6 ~~(C)~~

7 (B) The amount provided pursuant to Items 6110-211-0001 and
 8 6110-212-0001 of Section 2.00 of the annual Budget Act as those
 9 items are funded for the 2014–15 fiscal year, multiplied by the
 10 ratio of the total amounts appropriated in the 2014–15 fiscal year
 11 pursuant to the items listed in subparagraph (A) to the total amounts
 12 appropriated in the 2014–15 fiscal year pursuant to the items
 13 providing funding to all other programs included in the Charter
 14 School Categorical Block Grant.

15 (2) For the 2016–17 fiscal year and every fiscal year thereafter,
 16 the per pupil funding amount for each school district and charter
 17 school shall be calculated to be the amount calculated pursuant to
 18 this subdivision for the prior fiscal year.

19 (e) It is the intent of the Legislature to use Targeted Pupil Equity
 20 funding, in conjunction with funding provided to school districts
 21 and charter schools for all pupils, to appropriately weight
 22 educational funding so as to provide additional resources for the
 23 instruction of English learners and low-income pupils and to enable
 24 school districts and charter schools to direct resources toward
 25 improving the academic performance of those pupils.

26 (f) Nothing in this section shall be interpreted to authorize a
 27 school district that receives funding on behalf of a charter school
 28 pursuant to Section 47651 to redirect this funding for another
 29 purpose unless otherwise authorized in law or pursuant to an
 30 agreement between a charter school and its chartering authority.

31 (g) *Commencing with reporting for the 2015–16 fiscal year and*
 32 *for every fiscal year thereafter, by January 1 of the following fiscal*
 33 *year, the department shall post on its Internet Web site the amount*
 34 *of funding apportioned in the prior fiscal year to each school*
 35 *district, county office of education, and charter school pursuant*
 36 *to Sections 42238 and 42315 and this section, as well as the*
 37 *statewide total apportioned pursuant to each of those sections.*

38 (h) *The department shall ensure that funds apportioned pursuant*
 39 *to this section are separately accounted for in the Standardized*
 40 *Account Code Structure in a manner that allows these funds and*

1 *the resulting expenditure of these funds to be differentiated from*
2 *funds apportioned pursuant to other sections of law.*

3 42315. (a) Quality Instruction funding is hereby established.

4 (b) Commencing with the 2015–16 fiscal year and for each
5 fiscal year thereafter, the Superintendent shall apportion Quality
6 Instruction funding to each school district and charter school for
7 ~~the purposes specified in subdivision (c), based on a per pupil~~
8 ~~funding amount calculated pursuant to subdivision (d) school in~~
9 *an amount equal to the per pupil funding amount calculated*
10 *pursuant to subdivision (c) of Section 42316 or subdivision (c) of*
11 *Section 42317, multiplied by the average daily attendance as*
12 *determined at the second principal apportionment for that school*
13 *district or charter school in that fiscal year.*

14 (c) *It is the intent of the Legislature to enable school districts*
15 *and charter schools to use Quality Instruction funding, in*
16 *conjunction with other base funding provided to school districts*
17 *and charter schools, to maintain and improve high-quality*
18 *instruction in all classrooms and to enable school districts and*
19 *charter schools to direct resources toward improving the academic*
20 *performance of all pupils by supporting teaching and instructional*
21 *leadership.*

22 (d) *Nothing in this section shall be interpreted to authorize a*
23 *school district that receives funding on behalf of a charter school*
24 *pursuant to Section 47651 to redirect this funding for another*
25 *purpose unless otherwise authorized in law or pursuant to an*
26 *agreement between a charter school and its chartering authority.*

27 (e) *The department shall ensure that funds apportioned pursuant*
28 *to this section are separately accounted for in the Standardized*
29 *Account Code Structure in a manner that allows these funds and*
30 *the resulting expenditure of these funds to be differentiated from*
31 *funds apportioned pursuant to other sections of law.*

32 42316. (a) *For each school district and charter school*
33 *identified as reporting average daily attendance, as determined*
34 *at the 2014–15 second principal apportionment, based on the*
35 *attendance of pupils in kindergarten and grades 1 to 3, inclusive,*
36 *the Quality Instruction funds apportioned shall be used for*
37 *purposes specified in subdivision (b).*

38 (e)

39 (b) *Unless otherwise prohibited under federal law or otherwise*
40 *specified in this section, school districts and charter schools shall*

1 use funding received pursuant to subdivision~~(b)~~; (b) of Section
2 42315 for any of the following purposes:

3 (1) To reduce class sizes *in kindergarten and grades 1 to 3,*
4 *inclusive.*

5 (2) To provide professional development training to teachers,
6 administrators, and staff on any of the following areas:

7 (A) The state academic content standards adopted by the state
8 board pursuant to Section 60605.8.

9 (B) The curriculum frameworks adopted by the state board
10 pursuant to Section 60200.

11 (C) The English language development standards adopted by
12 the state board pursuant to Section 60811.

13 (3) To provide leadership coaching and individualized support
14 to schoolsite staff and administrators in order to support staff in
15 becoming instructional leaders and administrators.

16 (4) To provide teacher, administrator, and staff mentoring or
17 coaching in order to support beginning teachers with the goal of
18 increasing academic achievement.

19 (5) To establish teacher recruitment programs that provide
20 professional development assistance to paraprofessionals in order
21 for them to obtain a teaching credential.

22 (6) To establish intern programs to provide an alternative route
23 for individuals to obtain a teaching credential.

24 (7) To provide support for beginning teacher support and
25 assessment.

26 ~~(d)~~

27 (c) (1) For the 2015–16 fiscal year, the per pupil funding
28 amount for each school district and charter school *identified in*
29 *subdivision (a)* shall be calculated by dividing the *school district’s*
30 average daily attendance, as determined at the 2014–15 second
31 principal apportionment, into the sum of the *school district’s*
32 *allocations from the* following amounts:

33 (A) Funding provided pursuant to Items 6110-137-0001,
34 6110-144-0001, 6110-234-0001, 6110-244-0001, 6110-245-0001,
35 6110-260-0001, and 6110-267-0001 of Section 2.00 of the annual
36 Budget Act as those items are funded for the 2014–15 fiscal year.

37 (B) Funding provided pursuant to Schedules (1) and (2) of Item
38 6110-193-0001 of Section 2.00 of the annual Budget Act as that
39 item is funded for the 2014–15 fiscal year.

1 (C) Funding provided pursuant to Item 6110-195-0001 of
2 Section 2.00 of the annual Budget Act as that item is funded for
3 the 2014–15 fiscal year, excluding any funds necessary to fund
4 awards for teachers who have previously met the requirements
5 necessary to obtain these awards, until the award is paid in full.

6 (2) For the 2016–17 fiscal year and every fiscal year thereafter,
7 the per pupil funding amount for each school district and charter
8 school *identified in subdivision (a)* shall be calculated to be the
9 amount calculated pursuant to this subdivision for the prior fiscal
10 year.

11 ~~(e) It is the intent of the Legislature to enable school districts~~
12 ~~and charter schools to use Quality Instruction funding, in~~
13 ~~conjunction with other base funding provided to school districts~~
14 ~~and charter schools, to maintain and improve high-quality~~
15 ~~instruction in all classrooms and to enable school districts and~~
16 ~~charter schools to direct resources toward improving the academic~~
17 ~~performance of all pupils by supporting teaching and instructional~~
18 ~~leadership.~~

19 ~~(f) Nothing in this section shall be interpreted to authorize a~~
20 ~~school district that receives funding on behalf of a charter school~~
21 ~~pursuant to Section 47651 to redirect this funding for another~~
22 ~~purpose unless otherwise authorized in law or pursuant to an~~
23 ~~agreement between a charter school and its chartering authority.~~

24 *42317. (a) For each school district and charter school not*
25 *identified pursuant to subdivision (a) of Section 42316, the Quality*
26 *Instruction funds apportioned shall be used for the purposes*
27 *specified in subdivision (b).*

28 *(b) Unless otherwise prohibited under federal law or otherwise*
29 *specified in this section, school districts and charter schools shall*
30 *use funding received pursuant to subdivision (b) of Section 42315,*
31 *for any of the following purposes:*

32 *(1) To provide professional development training to teachers,*
33 *administrators, and staff on any of the following areas:*

34 *(A) The state academic content standards adopted by the state*
35 *board pursuant to Section 60605.8.*

36 *(B) The curriculum frameworks adopted by the state board*
37 *pursuant to Section 60200.*

38 *(C) The English language development standards adopted by*
39 *the state board pursuant to Section 60811.*

1 (2) *To provide leadership coaching and individualized support*
 2 *to schoolsite staff and administrators in order to support staff in*
 3 *becoming instructional leaders and administrators.*

4 (3) *To provide teacher, administrator, and staff mentoring or*
 5 *coaching in order to support beginning teachers with the goal of*
 6 *increasing academic achievement.*

7 (4) *To establish teacher recruitment programs that provide*
 8 *professional development assistance to paraprofessionals in order*
 9 *for them to obtain a teaching credential.*

10 (5) *To establish intern programs to provide an alternative route*
 11 *for individuals to obtain a teaching credential.*

12 (6) *To provide support for beginning teacher support and*
 13 *assessment.*

14 (c) (1) *For the 2015–16 fiscal year, the per pupil funding*
 15 *amount for each school district and charter school not identified*
 16 *pursuant to subdivision (a) of Section 42316 shall be calculated*
 17 *by dividing the school district’s average daily attendance, as*
 18 *determined at the 2014–15 second principal apportionment, into*
 19 *the sum of the school district’s allocations from the following*
 20 *amounts:*

21 (A) *Funding provided pursuant to Items 6110-137-0001,*
 22 *6110-144-0001, 6110-244-0001, 6110-245-0001, 6110-260-0001,*
 23 *and 6110-267-0001 of Section 2.00 of the annual Budget Act as*
 24 *those items are funded for the 2014–15 fiscal year.*

25 (B) *Funding provided pursuant to Schedules (1) and (2) of Item*
 26 *6110-193-0001 of Section 2.00 of the annual Budget Act as that*
 27 *item is funded for the 2014–15 fiscal year.*

28 (C) *Funding provided pursuant to Item 6110-195-0001 of*
 29 *Section 2.00 of the annual Budget Act as that item is funded for*
 30 *the 2014–15 fiscal year, excluding any funds necessary to fund*
 31 *awards for teachers who have previously met the requirements*
 32 *necessary to obtain these awards, until the award is paid in full.*

33 (2) *For the 2016–17 fiscal year and every fiscal year thereafter,*
 34 *the per pupil funding amount for each school district and charter*
 35 *school not identified pursuant to subdivision (a) of Section 42316*
 36 *shall be calculated to be the amount calculated pursuant to this*
 37 *subdivision for the prior fiscal year.*

38 SEC. 8. *Section 60119 of the Education Code is amended to*
 39 *read:*

1 60119. (a) In order to be eligible to receive funds available
2 for the purposes of this article, the governing board of a school
3 district shall take the following actions:

4 (1) (A) The governing board shall hold a public hearing or
5 hearings at which the governing board shall encourage participation
6 by parents, teachers, members of the community interested in the
7 affairs of the school district, and bargaining unit leaders, and shall
8 make a determination, through a resolution, as to whether each
9 pupil in each school in the district has sufficient textbooks or
10 instructional materials, or both, that are aligned to the content
11 standards adopted pursuant to Section 60605 in each of the
12 following subjects, as appropriate, that are consistent with the
13 content and cycles of the curriculum framework adopted by the
14 state board:

15 (i) Mathematics.

16 (ii) Science.

17 (iii) History-social science.

18 (iv) English/language arts, including the English language
19 development component of an adopted program.

20 (B) The public hearing shall take place on or before the end of
21 the eighth week from the first day pupils attend school for that
22 year. A school district that operates schools on a multitrack,
23 year-round calendar shall hold the hearing on or before the end of
24 the eighth week from the first day pupils attend school for that
25 year on any tracks that begin a school year in August or September.
26 For purposes of the 2004–05 fiscal year only, the governing board
27 of a school district shall make a diligent effort to hold a public
28 hearing pursuant to this section on or before December 1, 2004.

29 (C) As part of the hearing required pursuant to this section, the
30 governing board also shall make a written determination as to
31 whether each pupil enrolled in a foreign language or health course
32 has sufficient textbooks or instructional materials that are consistent
33 with the content and cycles of the curriculum frameworks adopted
34 by the state board for those subjects. The governing board also
35 shall determine the availability of laboratory science equipment
36 as applicable to science laboratory courses offered in grades 9 to
37 12, inclusive. The provision of the textbooks, instructional
38 materials, or science equipment specified in this subparagraph is
39 not a condition of receipt of funds provided by this subdivision.

1 (2) (A) If the governing board determines that there are
2 insufficient textbooks or instructional materials, or both, the
3 governing board shall provide information to classroom teachers
4 and to the public setting forth, in the resolution, for each school
5 in which an insufficiency exists, the percentage of pupils who lack
6 sufficient standards-aligned textbooks or instructional materials
7 in each subject area and the reasons that each pupil does not have
8 sufficient textbooks or instructional materials, or both, and take
9 any action, except an action that would require reimbursement by
10 the Commission on State Mandates, to ensure that each pupil has
11 sufficient textbooks or instructional materials, or both, within two
12 months of the beginning of the school year in which the
13 determination is made.

14 (B) In carrying out subparagraph (A), the governing board may
15 use money in any of the following funds:

16 (i) Any funds available for textbooks or instructional materials,
17 or both, from categorical programs, including any funds allocated
18 to school districts that have been appropriated in the annual Budget
19 Act.

20 (ii) Any funds of the school district that are in excess of the
21 amount available for each pupil during the prior fiscal year to
22 purchase textbooks or instructional materials, or both.

23 (iii) Any other funds available to the school district for textbooks
24 or instructional materials, or both.

25 (b) The governing board shall provide 10 days' notice of the
26 public hearing or hearings set forth in subdivision (a). The notice
27 shall contain the time, place, and purpose of the hearing, and shall
28 be posted in three public places in the school district. The hearing
29 shall be held at a time that will encourage the attendance of teachers
30 and parents and guardians of pupils who attend the schools in the
31 district, and shall not take place during or immediately following
32 school hours.

33 (c) (1) For purposes of this section, "sufficient textbooks or
34 instructional materials" means that each pupil, including English
35 learners, has a standards-aligned textbook or instructional materials,
36 or both, to use in class and to take home, *and that each pupil within*
37 *the local educational agency who is enrolled in the same course*
38 *shall have identical textbooks and instructional materials as*
39 *specified in paragraph (3).* This paragraph does not require two
40 sets of textbooks or instructional materials for each pupil. The

1 materials may be in a digital format as long as each pupil, at a
2 minimum, has, and can access, the same materials in the class and
3 to take home; as all other pupils in the same class or course in the
4 district, and has the ability to use and access them at home.

5 (2) Sufficient textbooks or instructional materials as defined in
6 paragraph (1), does not include photocopied sheets from only a
7 portion of a textbook or instructional materials copied to address
8 a shortage.

9 (3) *For purposes of this section, “identical” means that each*
10 *local educational agency provides each pupil with*
11 *standards-aligned textbooks or instructional materials from the*
12 *same adoption, consistent with this section and Section 60422.*
13 *This section does not require a local educational agency to*
14 *purchase all of the instructional materials included in an adoption*
15 *if the materials that are purchased are made available to all of*
16 *the pupils for whom they are intended in all of the schools within*
17 *the jurisdiction of the local educational agency.*

18 (d) The governing board of a school district that receives funds
19 for instructional materials from any state source is subject to the
20 requirements of this section.