

Summary of SB 97 (Chapter 357, Statutes of 2013)

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On September 13, CSBA provided a top level overview of the education trailer bill, SB 97. Since that update was issued, the Governor has signed the bill. SB 97 is an urgency measure, meaning it took effect immediately. This document provides a more comprehensive summary of eight of the K-12 portions of the bill including some excerpts from the bill analysis.

As a budget trailer bill, SB 97 provides technical and clarifying changes arising from the earlier budget trailer bills and budget. SB 97 deals primarily with elements of the Local Control Funding Formula (LCFF) and the Local Control and Accountability Plan (LCAP) but it also affects other K-12 programs. SB 97 also makes clarifying changes to community college provisions and to the Middle Class Scholarship program. More summary information is available in the bill analyses at www.leginfo.ca.gov. You can also access copies of the chaptered bill there.

A. Non-LCFF K-12 clarifications:

1. *California Clean Energy Jobs Act (Prop 39)*
 - Extends the deadline by one month for small local education agencies to apply to receive a two-year allocation in the current year, from August 1 to September 1 of each year. Public Resources Code 26233 (c).
 - Clarifies that a local education agency must repay to the state moneys received from the Clean Energy Jobs Act for a project in a school facility that is not publicly owned, if the school voluntarily vacates that facility within five years of project completion. Public Resources Code 26235 (i).
2. *Career Technical Education Pathways Grant Program*
 - Appropriates \$250,000 for an evaluation of the new grant program and requires the California Department of Education to allocate this funding to a local education agency that the CDE has identified to contract for the evaluation. Amends AB 97, Item 6110-280-0001, Provision 2.

3. *Amendments related to previous state loans to Inglewood Unified School District and South Monterey County Joint Union High School District*
 - Clarifies that terms and conditions of the loan to Inglewood USD shall include costs incurred by the California Infrastructure and Economic Development Bank (I-Bank).
 - Provides annual funding to the South Monterey County Joint Union High School District to fund the difference between annual payments under the I-Bank loan and what the district would be paying under a General Fund loan with an interest rate set at the Pooled Money Investment Account rate plus 2 percent. These payments will continue through 2029-30, reflecting the term of the loan. Provides legislative intent that the financing cost subsidies funded in this section not be deemed precedent. Education Code 41329.575.

B. LCF and LCAP Clarifications

1. *Budget adoptions and LCAP*
 - Amends EC 42127 (d) to make explicit that a budget shall not be adopted or approved by a county superintendent before an LCAP (or LCAP update) is approved.
 - Amends EC 1622 (a) to clarify that the State Superintendent shall not approve a county's budget before an LCAP (or LCAP update) is approved.
 - Amends EC 42127 (g) to clarify that if a county superintendent of schools disapproves a district budget solely because he/she has not approved the district LCAP (or LCAP update), the county superintendent shall not require a budget review committee to be formed.
 - Amends EC 1622 (d)(2) to clarify that if the State Superintendent disapproves a county budget solely because he/she has not approved the county's LCAP (or LCAP update), the State Superintendent shall not require a budget review committee to be formed.
2. *Joint Powers Authorities (JPA) direct appropriation of categorical funding to JPAs continues through fiscal year 2014-15.*
 - Requires the SPI to apportion to a regional occupational center or program joint powers authority the same amount that agency received in the 2012-13 fiscal year from specified funding sources through fiscal year 2014-15. Education Code 2575 (i)(2) and 42238.03 (a)(5)(B).
 - Requires the SPI to apportion to home to school transportation joint powers authority the same amount apportioned in FY 2012-13 from specified funding sources through fiscal year 2014-15. Education Code 2575 (k)(2) and 42238.03 (a)(6)(A)(ii).

3. *Maintenance of Effort requirements for Regional Occupational Centers & Programs (ROC/Ps)*
 - LCFE requires that for fiscal years 2013-14 and 2014-15 districts and county offices of education must expend for ROC/Ps no less than the level of funds expended in the 2012-13 fiscal year. SB 97 clarifies that a school district and county office of education may jointly meet the maintenance of effort (MOE) requirement so long as the total amount of expenditures by the district and county office of education equal or exceed the total amount required to be expended pursuant to the MOE. Education Code 2575 (k)(3) and 42238.03 (a)(7).

4. *Annual Reports of Unduplicated Student Counts – Timeframes & Procedures*
 - Clarifies that the annual reporting by districts, county superintendents and charter schools of enrollment of unduplicated counts of pupils who are classified as English learners, eligible for free and reduced price meals, and foster youth shall be done within timeframes and procedures established by the State Superintendent. Education Code 2574(b)(2) and 42238.02(d)(2).

5. *Necessary Small Schools (NSS)*
 - The amount of NSS funding received by a school district in 2012-13 fiscal year is included within their hold harmless calculation. This is of particular import to those unified districts that received the NSS high school adjustment because the district had only one high school. Education Code 42238.03(e)(1)(D).
 - The bill analysis also notes the following clarifications:
 - NSS average daily attendance does not count for purposes of base funding but does count for supplemental and concentration funding.
 - NSS containing grades 7-8 are funded at the elementary NSS rate for those grades, not the high school NSS rate, consistent with existing law.

6. *Foster Youth Information*
 - Clarifies that the State Department of Social Services and the California Department of Education shall enter into the memorandum of understanding regarding the required sharing of information related to foster youth by February 1, 2014. Education Code 49085 (a).

7. *Amends the Following LCAP Provisions:*
 - Amends EC* 52070(d) and EC 52070.5(d) to add an additional issue that the county and State Superintendent must determine in order to approve an LCAP: *The LCAP or its update adheres to the expenditure requirements adopted by the State Board of Education regulations regarding supplemental and concentration funds.*
 - Amends EC 52064 to require that the LCAP template developed by the State Board of Education, in addition to minimizing duplication of effort at the local level, shall include guidance on:

- Listing and description of expenditures for each fiscal year implementing the specific actions included in the LCAP; and
 - Listing and description of expenditures for each fiscal year of expenditures that will serve the pupils who are low income, foster youth, English learners or redesignated as fluent English proficient.
 - Amends EC 52060 (c)(2) and EC 52066(c)(2) to state that the specific actions included in an LCAP shall not supersede the provisions of an existing local collective bargaining agreement.
 - Adds local bargaining units to the groups that the district governing board and county superintendent must consult with in development of LCAP. EC 52060(g) and EC 52066 (g).
 - Amends EC 52062(a)(3) and 52068(a)(3) to require the district and county superintendent to ensure that written notifications to the public regarding LCAPs meet requirements of providing notices in languages other than English as provided for in EC 48985.
 - Clarifies that pupil achievement goals shall include as a measure of career readiness/technical education: the percentage of pupils who have successfully completed career technical education sequences or programs of study that align with state board-approved CTE standards and frameworks. EC 52060(d)(4)(C) and 52066(d)(4)(C).
 - Amends EC 50261 to clarify that updates to district LCAPs shall include listing and description of changes to specific actions made as a result of assessment of goals and review of progress toward those goals.
8. *Amends provisions related to the governance of the California Collaborative for Education Excellence (CCEE). Education Code 52074*
- Requires the State Superintendent, with the approval of the State Board of Education, to contract with a local educational agency or consortium of local education agencies to serve as the fiscal agent for the CCEE.
 - Establishes a governing board for the CCEE to be comprised of:
 - The State Superintendent or his/her designee;
 - The president of the State Board of Education or his/her designee;
 - A county superintendent of schools appointed by the Senate Rules Committee;
 - A teacher appointed by the Speaker of the Assembly; and
 - A superintendent of a school district appointed by the Governor.

*EC = Education Code