
SENATE COMMITTEE ON EDUCATION

Senator Carol Liu, Chair

2015 - 2016 Regular

Bill No: SB 416
Author: Huff
Version: April 6, 2015
Urgency: No
Consultant: Lenin Del Castillo
Hearing Date: April 8, 2015
Fiscal: Yes

Subject: Public schools: repeal of funding programs

SUMMARY

This bill repeals numerous provisions of the Education Code for categorical programs that are considered obsolete or unnecessary in light of the passage of recent Local Control Funding Formula (LCFF) legislation.

BACKGROUND

The LCFF, enacted as part of the 2013-14 Budget Act, was a significant reform to the state's system of financing K-12 public schools. It replaces the prior system of revenue limits and restricted funding for a multitude of categorical programs with a new funding formula that provides base funding for the core educational needs of all students and supplemental funding for the additional educational needs of low-income students, English learners, and foster youth. Because the LCFF funds have limited spending restrictions, local education agencies (LEAs) have considerable flexibility to direct LCFF resources to best meet their students' needs.

Although local education agencies have considerably more flexibility in how they spend their resources under LCFF compared to the previous funding system, the law requires a school district, county office of education, or charter school:

“...to increase or improve services for unduplicated pupils [low-income students, English learners, and foster youth] in proportion to the increase in funds apportioned on the basis of the number and concentration of unduplicated pupils in the school district, county office of education, or charter school.”

Under the old system, revenue limits provided LEAs with discretionary (unrestricted) funding for general education purposes, and categorical program (restricted) funding was provided for specialized purposes, with each program having unique allocation and spending requirements. Revenue limits made up about two-thirds of state funding for schools, while categorical program funding made up the remaining one-third portion. For some time, that system was criticized as being too state-driven, bureaucratic, complex, inequitable, and based on outdated allocation methods that did not reflect current student needs.

To ensure accountability for Local Control Formula Funds (LCFF), the state also mandated that each local education agency (LEA) develop a local control and accountability plan (LCAP) that identifies locally determined goals, actions, services, and expenditures of LCFF funds for each school year in support of the state educational priorities that are specified in statute, as well as any additional local priorities. School district LCAPs are subject to review and approval by county offices of education. Statute established a process for districts to receive technical assistance related to their LCAP. The Superintendent of Public Instruction (SPI) is authorized to intervene in a struggling school district under certain conditions.

ANALYSIS

This bill would repeal numerous provisions of the Education Code for categorical programs that are considered obsolete or unnecessary in light of the passage of the LCFF. Below are the bill sections and the general subject matter of the proposed changes.

1. Youth conservation program (SEC. 1)
2. Technical, agricultural, and natural resource conservation schools (SEC. 2)
3. Cosmetology courses (SEC. 3)
4. Arts work visual and performing arts education (SEC. 4)
5. Schoolbus clean fuel and efficiency demonstration (SEC. 5)
6. School safety block grant (SEC. 6)
7. School safety violence protection (SEC. 7)
8. Foster children educational services (SEC. 8)
9. Revenue limit adjustments for State Teachers' Retirement and unemployment insurance (SEC. 9)
10. National board certification incentives (SEC. 10)
11. Education technology staff development (SEC. 11)
12. Education technology (SEC. 12)
13. Bilingual education (SEC. 13)
14. Mathematics improvement programs (SEC. 14)
15. Single gender academies program (SEC. 15)

16. State instructional materials (SEC. 16)

STAFF COMMENTS

1. **Need for the bill.** According to the author's office, this bill would remove various Education Code Sections that remain on the books despite being rendered obsolete by the enactment of the Local Control Funding Formula (LCFF). The LCFF removed funding for a number of categorical programs which still remain codified in the Education Code.
2. **Previous LCFF clean-up legislation.** SB 587 (Emmerson, 2013) was the genesis for Chapter 923, Statutes of 2014 (SB 971, Huff). SB 587 was amended at the end of session in 2013 to incorporate changes to the Education Code in light of the passage of LCFF. According to Senator Emmerson's office at the time, SB 587 was to begin the discussion amongst all parties, to achieve consensus, about sections of the Education Code that could possibly be repealed or modified. The elements of SB 587 were originally drafted by the Department of Finance (DOF), and were a first attempt to "clean up" the Education Code; however, these provisions were viewed through the prism of DOF's perspective on the implementation of LCFF (from DOF's perspective almost everything was discretionary), and not on the merits of each statute and the underlying intent.

In the Fall of 2013; the Department of Finance, California Department of Education, and Senate legislative staff met multiple times to discuss elements that could be part of SB 587 through a consensus approach. The discussions were intended to ascertain (1) whether the actions proposed were consistent with LCFF, (2) the bill does not impede pending legislation or legislative discussions, (3) the bill did not impact past or pending judicial actions, and (4) determine whether any of the proposed changes could lead to any unintended consequences at either a programmatic, budget or auditing level. SB 587 was never heard by this Committee.

SB 971 was originally introduced by Senator Cannella in 2014 and subsequently authored by Senator Huff. The measure included many of the provisions from SB 587. While the process for determining what sections should remain in law in light of LCFF will likely take multiple pieces of legislation over a period of time, SB 971 was a solid first step in this regard.

3. **Committee amendments.** Building on the efforts with SB 587 and SB 971 and also based on recent discussions with various stakeholders, **staff recommends an amendment** to remove the following sections from the bill: SEC. 8 (Foster children educational services), SEC. 10 (National board certification incentives), and SEC. 16 (State instructional materials). **Staff also recommends an amendment** to SEC. 13 (Bilingual education) to provide that only Article 1 of Chapter 7 (commencing with Section 52130) regarding the Impacted Languages Act of 1984 is repealed.

SUPPORT

California School Boards Association (sponsor)

OPPOSITION

None received.

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