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# SENATE COMMITTEE ON EDUCATION

Senator Benjamin Allen, Chair

2017 - 2018 Regular

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**Bill No:** AB 1354 **Hearing Date:** June 7, 2017  
**Author:** Kiley  
**Version:** May 25, 2017  
**Urgency:** No **Fiscal:** Yes  
**Consultant:** Brandon Darnell

**Subject:** Pupil instruction: repeal of programs.

## SUMMARY

This bill repeals sections of the Education Code that establish programs that are no longer funded and are obsolete.

## BACKGROUND

Existing law continues implementation of the Local Control Funding Formula (LCFF), which was enacted as part of the 2013-14 Budget Act. The LCFF 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 targeted base funding levels tied to four grade spans 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. (Education Code § 42238 et seq.)

## ANALYSIS

This bill repeals sections of the Education Code that establish programs that are no longer funded and are obsolete. Specifically, this bill repeals provisions that:

- 1) Require the Superintendent of Public Instruction (SPI) to authorize the development of the Bill Bradley Human Relations Pilot Project for teaching a course on human relations. (EC § 280 et seq.)
- 2) Establish the Conservation Education Service in the California Department of Education (CDE), authorize the governing board of a school district and specified other entities to apply to the Conservation Education Service for planning and implementation grants for conservation education in accordance with specified requirements, and authorize the Superintendent to make grants pursuant to those provisions. (EC § 8750 et seq.)
- 3) Establish the California International Studies Program for purposes of achieving specified goals relating to international studies skills and provides specified funding for program participants. (EC § 44780 et seq.)

- 4) Establish the Reading First Plan to provide grants to eligible local educational agencies (LEAs) to provide reading instruction to pupils in kindergarten and grades 1 to 3, inclusive, and to special education pupils in kindergarten and grades 1 to 12, inclusive. (EC § 51700 et seq.)
- 5) Establish the Early Warning Program for the purpose of allocating grants to LEAs to implement specified requirements of the federal No Child Left Behind Act of 2001. (EC § 52055.57 et seq.)
- 6) Establish the No Child Left Behind Liaison Team to advise the Superintendent of Public Instruction (SPI) and the State Board of Education (SBE) on matters relating to the implementation of the federal No Child Left Behind Act of 2001. (EC § 52058.1 et seq.)
- 7) Establish the Education Technology Grant Act of 2002 to provide grants to eligible school districts, county offices of education, and charter schools for purposes of implementing and supporting a system that uses technology to improve pupil academic achievement consistent with specified provisions of the federal No Child Left Behind Act of 2001. (EC § 52295.10 et seq.)
- 8) Establish the Educational Improvement Act of 1969 to provide entitlements calculated by the SPI to eligible school districts for specified educational purposes. (EC § 54600 et seq.)
- 9) Establish the Educational Improvement Act of 1969 to provide entitlements calculated by the SPI to eligible school districts for specified educational purposes. (EC § 54630 et seq.)
- 10) Establish the Education Improvement Incentive Program to encourage improvement in public school performance by providing fiscal incentives to motivate teachers and schoolsite administrators to work to increase school performance. (EC § 54650 et seq.)
- 11) Establish the Demonstration of Restructuring in Public Education to provide demonstration grants to applicant school districts to develop and implement policies and procedures that support specified educational objectives. (EC § 58900 et seq.)
- 12) Specify that the Miller-Unruh Basic Reading Act of 1965, the school improvement program, and bilingual education shall sunset on June 30, 1987, and that local staff development and teacher education and computer center programs shall sunset on January 1, 1990. (EC §§ 62000.1 and 62000.2)
- 13) Establish the State Instructional Materials Fund in the State Treasury to annually fund the acquisition of instructional materials. (EC § 60240 et seq.)

#### **STAFF COMMENTS**

- 1) ***Need for the bill.*** According to the author, “Under LCFF, school districts receive the bulk of their funding based on average daily attendance. In the past, districts

were funded using a combination of revenue limit funding and categorical grants. Categorical fund expenditures at the local level were typically governed by strict statutory requirements.

The Local Control Funding Formula (LCFF) eliminated most categorical programs, rendering associated statutory provisions inoperative. Instead, decision making authority was placed into the hands of local officials, who are best suited to target education funds to where they are needed most in the communities they represent.

AB 1354 removes many of the code sections that were rendered obsolete by the enactment of LCFF. This removal cleans up and clarifies the Education Code, making its interpretation and understanding easier for school districts and citizens. As policymakers, it is our responsibility not just to enact law, but to ensure it is accessible and understandable to our constituents. This bill helps us carry out this responsibility.

- 2) **Author's amendment.** The author would like to amend the bill to remove Section 14 (the repeal of Section 62000.2 of the Education Code) from the bill. **Staff recommends that the bill should be amended** to reflect the author's proposed amendment.
- 3) **Additional Background of the LCFF.** Although local educational 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.” (EC § 42238.07)

Under the old system, revenue limits provided local educational agencies (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 Funding Formula (LCFF) entitlements, the state also mandated that each 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 local control and accountability plan (LCAP). The Superintendent of Public Instruction (SPI) is authorized to intervene in a struggling school district under certain conditions.

- 4) ***Previous LCFF clean-up legislation.*** SB 587 (Emmerson, 2013) was the genesis for a related piece of clean-up legislation, SB 971 (Huff, Chapter 923, Statutes of 2014). 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) in an 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 and was chaptered into law.

SB 416 (Huff, Chapter 538, Statutes of 2015) and SB 1211 (Huff, Chapter 172, Statutes of 2016) continued this effort and repealed additional provisions of law rendered obsolete by the enactment of LCFF.

## **SUPPORT**

California School Boards Association

## **OPPOSITION**

None received

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