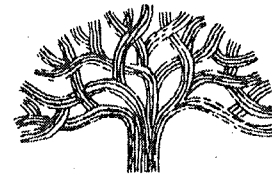


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CITY OF OAKLAND



CITY HALL 19 APR 18 PM 4:01 FRANK H. OGAWA PLAZA • OAKLAND, CALIFORNIA 94612

REBECCA KAPLAN
Council President
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Date: April 18, 2019
To: Members of City Council and Members of the Public
From: Council President Kaplan and Councilmember Fortunato Bas
Re: RESOLUTION IN SUPPORT OF ASSEMBLY BILL 575, EDUCATION FINANCE LOCAL CONTROL FUNDING FORMULA; SUPPLEMENTAL GRANTS FOR THE LOWEST PERFORMING PUPIL SUBGROUP OR SUBGROUPS

Dear Colleagues on the City Council and Members of the Public,

According to the California Department of Education, in 2018, there were 340,841 African-American students enrolled in K-12 public schools or 5.50% of the student population. African-American children were the lowest performing subgroup with only 19% meeting grade-level standards in math and 31% of students meeting grade-level standards in English language arts. In a report by UCLA, titled *Get Out! Black Male Suspensions in California Public Schools* (2018), "the statewide suspension rate for Black males is 3.6 times greater than that of the statewide rate for all students." Clearly there is still much work to be done to build true equity in our public education system for African-American youth.

Assemblymember Shirley Weber introduced Assembly Bill 575 this past February to remedy the inequity faced by Black students in public education. Her legislation seeks to create "a new supplemental grant category in the local control funding formula for the lowest performing subgroup of students not currently receiving a supplemental grant." The Local Control Funding Formula was enacted in 2013 with the goal of creating a more equitable system of funding and to provide additional funding to the highest needs students and subgroups including English Language Learners, low-income students, and foster/homeless youth. The belief is that this bill would fulfill the intended purpose of the Local Control Funding Formula in creating a more just and equitable distribution of educational resources by creating this new "subgroup" which for the last few years has been African-American youth.

I should note that the Oakland Unified School District Board already voted to support AB 575 back on March 4, 2019. I am asking for your support and endorsement of AB 575 so we may urge the California State Legislature and Governor Gavin Newsom to support its enactment into law.

A handwritten signature in black ink, appearing to read "Rebecca Kaplan".

Rebecca Kaplan
Oakland City Councilmember At Large

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OAKLAND

19 APR 18 PM 4: 04

Approved as to Form and Legality

Draft

City Attorney's Office

OAKLAND CITY COUNCIL

RESOLUTION NO. _____ C.M.S.

INTRODUCED BY COUNCIL PRESIDENT KAPLAN

RESOLUTION IN SUPPORT OF ASSEMBLY BILL 575, EDUCATION FINANCE LOCAL CONTROL FUNDING FORMULA; SUPPLEMENTAL GRANTS FOR THE LOWEST PERFORMING PUPIL SUBGROUP OR SUBGROUPS

WHEREAS, in the state of California, the Local Control Funding Formula was enacted in 2013 with the goal of creating a more equitable system of funding and to provide additional funding to the highest needs students and subgroups including English Language Learners, low-income students, and foster/homeless youth; and

WHEREAS, African-American children were the lowest performing subgroup with only 19% meeting grade-level standards in math and 31% of students meeting grade-level standards in English language arts; and

WHEREAS, according to the California Department of Education, in 2018, there were 340,841 African-American students enrolled in K-12 public schools or 5.50% of the student population; and

WHEREAS, in a report by UCLA, titled *Get Out! Black Male Suspensions in California Public Schools* (2018), "the statewide suspension rate for Black males is 3.6 times greater than that of the statewide rate for all students"; and

WHEREAS, AB 575, introduced by Assemblymember Shirley Weber on February 14, 2019, seeks to remedy the inequity faced by Black students in public education and other subgroups by creating "a new supplemental grant category in the local control funding formula for the lowest performing subgroup of students not currently receiving a supplemental grant"; and

WHEREAS, this assembly bill would fulfill the intended purpose of the Local Control Funding Formula in creating a more just and equitable distribution of educational resources and likely assist in providing African-American students with the resources they need to succeed; and

WHEREAS, on March 20th, 2019, the Oakland Unified School District Board voted to support AB 575; now, therefore, be it

RESOLVED: That the Oakland City Council hereby endorses AB 575 and urges the California State Legislature and Governor Gavin Newsom to support its enactment into law; and be it

FURTHER RESOLVED: That the City Council requests that the City Administrator transmit a copy of this Resolution to the following: City of Oakland's legislative representatives including Senator Nancy Skinner, Assemblymember Rob Bonta, Assemblymember Buffy Wicks; Governor Gavin Newsom; President Pro Tem of the California Senate Toni Atkins; Assembly Speaker Anthony Rendon; and to the lobbyist for the City of Oakland to advocate for passage of AB 575.

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

AYES - FORTUNATO BAS, GALLO, GIBSON MCELHANEY, KALB, REID, TAYLOR, THAO AND PRESIDENT KAPLAN

NOES -

ABSENT -

ABSTENTION -

ATTEST:

LATONDA SIMMONS
City Clerk and Clerk of the Council of the
City of Oakland, California

2734147v1

ASSEMBLY BILL

No. 575

Introduced by Assembly Member Weber

February 14, 2019

An act to amend Sections 2574 and 42238.02 of the Education Code, relating to education finance.

LEGISLATIVE COUNSEL'S DIGEST

AB 575, as introduced, Weber. Education finance: local control funding formula: supplemental grants: lowest performing pupil subgroup or subgroups.

Existing law establishes a public school financing system that requires state funding for county superintendents of schools, school districts, and charter schools to be calculated pursuant to a local control funding formula, as specified. Under the local control funding formula, an important component is the number of “unduplicated pupils,” as defined to be pupils classified as English learners, as eligible for free or reduced-price meals, or as foster youth, for purposes of supplemental grants.

This bill would, commencing with the 2019–20 fiscal year, adjust the definition of “unduplicated pupils” to include pupils who are included in the lowest performing subgroup or subgroups, as defined, based on the most recently available mathematics or language arts results on the California Assessment of Student Performance and Progress, as specified. The bill would require the Superintendent of Public Instruction to annually identify the lowest performing pupil subgroup or subgroups. The bill would require that implementation of these provisions be contingent upon the appropriation of funds for these purposes in the annual Budget Act or other statute.

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. Section 2574 of the Education Code is amended
2 to read:
3 2574. For the 2013–14 fiscal year and for each fiscal year
4 thereafter, the Superintendent annually shall calculate a county
5 local control funding formula for each county superintendent of
6 schools as follows:
7 (a) Compute a county office of education operations grant equal
8 to the sum of each of the following amounts:
9 (1) Six hundred fifty-five thousand nine hundred twenty dollars
10 (\$655,920).
11 (2) One hundred nine thousand three hundred twenty dollars
12 (\$109,320) multiplied by the number of school districts for which
13 the county superintendent of schools has jurisdiction pursuant to
14 Section 1253.
15 (3) (A) Seventy dollars (\$70) multiplied by the number of units
16 of countywide average daily attendance, up to a maximum of
17 30,000 units.
18 (B) Sixty dollars (\$60) multiplied by the number of units of
19 countywide average daily attendance for the portion of countywide
20 average daily attendance, if any, above 30,000 units, up to a
21 maximum of 60,000 units.
22 (C) Fifty dollars (\$50) multiplied by the number of units of
23 countywide average daily attendance for the portion of countywide
24 average daily attendance, if any, above 60,000, up to a maximum
25 of 140,000 units.
26 (D) Forty dollars (\$40) multiplied by the number of units of
27 countywide average daily attendance for the portion of countywide
28 average daily attendance, if any, above 140,000 units.
29 (E) For purposes of this section, countywide average daily
30 attendance means the aggregate number of annual units of average
31 daily attendance within the county attributable to all school districts
32 for which the county superintendent of schools has jurisdiction
33 pursuant to Section 1253, charter schools authorized by school
34 districts for which the county superintendent of schools has

1 jurisdiction, and charter schools authorized by the county
2 superintendent of schools.

3 (4) For the 2014–15 fiscal year and each fiscal year thereafter,
4 adjust each of the rates provided in the prior year pursuant to
5 paragraphs (1), (2), and (3) by the percentage change in the annual
6 average value of the Implicit Price Deflator for State and Local
7 Government Purchases of Goods and Services for the United States,
8 as published by the United States Department of Commerce for
9 the 12-month period ending in the third quarter of the prior fiscal
10 year. This percentage change shall be determined using the latest
11 data available as of May 10 of the preceding fiscal year compared
12 with the annual average value of the same deflator for the 12-month
13 period ending in the third quarter of the second preceding fiscal
14 year, using the latest data available as of May 10 of the preceding
15 fiscal year, as reported by the Department of Finance.

16 (b) Determine the enrollment percentage of unduplicated pupils
17 pursuant to the following:

18 (1) (A) For the 2013–14 fiscal year, divide the enrollment of
19 unduplicated pupils in all schools operated by a county
20 superintendent of schools in the 2013–14 fiscal year by the total
21 enrollment in those schools in the 2013–14 fiscal year.

22 (B) For the 2014–15 fiscal year, divide the sum of the enrollment
23 of unduplicated pupils in all schools operated by a county
24 superintendent of schools in the 2013–14 and 2014–15 fiscal years
25 by the sum of the total enrollment in those schools in the 2013–14
26 and 2014–15 fiscal years.

27 (C) For the 2015–16 fiscal year and each fiscal year thereafter,
28 divide the sum of the enrollment of unduplicated pupils in all
29 schools operated by a county superintendent of schools in the
30 current fiscal year and the two prior fiscal years by the sum of the
31 total enrollment in those schools in the current fiscal year and the
32 two prior fiscal years.

33 (D) (i) For purposes of the quotients determined pursuant to
34 subparagraphs (B) and (C), the Superintendent shall use a county
35 superintendent of schools' enrollment of unduplicated pupils and
36 total pupil enrollment in the 2014–15 fiscal year instead of the
37 enrollment of unduplicated pupils and total pupil enrollment in
38 the 2013–14 fiscal year if doing so would yield an overall greater
39 percentage of unduplicated pupils.

1 (ii) It is the intent of the Legislature to review each county office
2 of education's enrollment of unduplicated pupils for the 2013–14
3 and 2014–15 fiscal years and provide one-time funding, if
4 necessary, for a county office of education with higher enrollment
5 of unduplicated pupils in the 2014–15 fiscal year as compared to
6 the 2013–14 fiscal year.

7 (E) For purposes of determining the enrollment percentage of
8 unduplicated pupils pursuant to this subdivision, enrollment in
9 schools or classes established pursuant to Article 2.5 (commencing
10 with Section 48645) of Chapter 4 of Part 27 of Division 4 of Title
11 2 and the enrollment of pupils other than the pupils identified in
12 clauses (i) to (iii), inclusive, of subparagraph (A) of paragraph (4)
13 of subdivision (c), shall be excluded from the calculation of the
14 enrollment percentage of unduplicated pupils.

15 (F) The data used to determine the percentage of unduplicated
16 pupils shall be final once that data is no longer used in the current
17 fiscal year calculation of the percentage of unduplicated pupils.
18 This subparagraph does not apply to a change that is the result of
19 an audit that has been appealed pursuant to Section 41344.

20 (2) (A) For purposes of this section, an "unduplicated pupil"
21 is a pupil who is classified as an English learner, eligible for a free
22 or reduced-price meal, or a foster youth. For purposes of this
23 section, the definitions in Section 42238.01 of an English learner,
24 a pupil eligible for a free or reduced-price meal, and foster youth
25 shall apply. A pupil shall be counted only once for purposes of
26 this section if any of the following apply:

27 (A)

28 (i) The pupil is classified as an English learner and is eligible
29 for a free or reduced-price meal.

30 (B)

31 (ii) The pupil is classified as an English learner and is a foster
32 youth.

33 (C)

34 (iii) The pupil is eligible for a free or reduced-price meal and
35 is classified as a foster youth.

36 (D)

37 (iv) The pupil is classified as an English learner, is eligible for
38 a free or reduced-price meal, and is a foster youth.

39 (v) (I) *Commencing with the 2019–20 fiscal year, the pupil is*
40 *classified as a member of the lowest performing subgroup or*

1 *subgroups, as defined in paragraph (7) of subdivision (b) of Section*
2 *42238.02, and the pupil is classified as an English learner, is*
3 *eligible for a free or reduced-price meal, or is a foster youth.*

4 *(II) The implementation of subclause (I) shall be contingent*
5 *upon the appropriation of funds for its purpose in the annual*
6 *Budget Act or other statute.*

7 *(B) (i) Commencing with the 2019–20 fiscal year, “unduplicated*
8 *pupil” shall also mean a pupil who is included in the lowest*
9 *performing subgroup or subgroups, as identified pursuant to*
10 *paragraph (7) of subdivision (b) of Section 42238.02.*

11 *(ii) The implementation of clause (i) shall be contingent upon*
12 *the appropriation of funds for its purpose in the annual Budget*
13 *Act or other statute.*

14 (3) (A) (i) Under procedures and timeframes established by
15 the Superintendent, commencing with the 2013–14 fiscal year, a
16 county superintendent of schools annually shall report the
17 enrollment of unduplicated pupils, pupils classified as English
18 learners, pupils eligible for free and reduced-price meals, and foster
19 youth in schools operated by the county superintendent of schools
20 to the Superintendent using the California Longitudinal Pupil
21 Achievement Data System.

22 *(ii) (I) Commencing with the 2019–20 fiscal year, a county*
23 *superintendent of schools annually shall also report the enrollment*
24 *of pupils in schools operated by the county superintendent of*
25 *schools who are classified as members of the lowest performing*
26 *subgroup or subgroups, as identified pursuant to paragraph (7)*
27 *of subdivision (b) of Section 42238.02.*

28 *(II) The implementation of subclause (I) shall be contingent*
29 *upon the appropriation of funds for its purpose in the annual*
30 *Budget Act or other statute.*

31 (B) The Superintendent shall make the calculations pursuant to
32 this section using the data submitted through the California
33 Longitudinal Pupil Achievement Data System.

34 (C) The Controller shall include instructions, as appropriate, in
35 the audit guide required by subdivision (a) of Section 14502.1, for
36 determining if the data reported by a county superintendent of
37 schools using the California Longitudinal Pupil Achievement Data
38 System is consistent with pupil data records maintained by the
39 county office of education.

1 (c) Compute an alternative education grant equal to the sum of
2 the following:

3 (1) (A) For the 2013–14 fiscal year, a base grant equal to the
4 2012–13 per pupil undeficitated statewide average juvenile court
5 school base revenue limit calculated pursuant to Article 3
6 (commencing with Section 2550) of Chapter 12, as that article
7 read on January 1, 2013. For purposes of this subparagraph, the
8 2012–13 statewide average juvenile court school base revenue
9 limit shall be considered final as of the annual apportionment for
10 the 2012–13 fiscal year, as calculated for purposes of the
11 certification required on or before February 20, 2014, pursuant to
12 Sections 41332 and 41339.

13 (B) Commencing with the 2013–14 fiscal year, the per pupil
14 base grant shall be adjusted by the percentage change in the annual
15 average value of the Implicit Price Deflator for State and Local
16 Government Purchases of Goods and Services for the United States,
17 as published by the United States Department of Commerce for
18 the 12-month period ending in the third quarter of the prior fiscal
19 year. This percentage change shall be determined using the latest
20 data available as of May 10 of the preceding fiscal year compared
21 with the annual average value of the same deflator for the 12-month
22 period ending in the third quarter of the second preceding fiscal
23 year, using the latest data available as of May 10 of the preceding
24 fiscal year, as reported by the Department of Finance.

25 (2) A supplemental grant equal to 35 percent of the base grant
26 described in paragraph (1) multiplied by the enrollment percentage
27 calculated in subdivision (b). The supplemental grant shall be
28 expended in accordance with the regulations adopted pursuant to
29 Section 42238.07.

30 (3) (A) A concentration grant equal to 35 percent of the base
31 grant described in paragraph (1) multiplied by the greater of either
32 of the following:

33 (i) The enrollment percentage calculated in subdivision (b) less
34 50 percent.

35 (ii) Zero.

36 (B) The concentration grant shall be expended in accordance
37 with the regulations adopted pursuant to Section 42238.07.

38 (4) (A) Multiply the sum of paragraphs (1), (2), and (3) by the
39 total number of units of average daily attendance for pupils
40 attending schools operated by a county office of education,

1 excluding units of average daily attendance for pupils attending
2 schools or classes established pursuant to Article 2.5 (commencing
3 with Section 48645) of Chapter 4 of Part 27 of Division 4 of Title
4 2, who are enrolled pursuant to any of the following:

5 (i) Probation-referred pursuant to Sections 300, 601, 602, and
6 654 of the Welfare and Institutions Code.

7 (ii) On probation or parole and not in attendance in a school.

8 (iii) Expelled for any of the reasons specified in subdivision (a)
9 or (c) of Section 48915.

10 (B) Multiply the number of units of average daily attendance
11 for pupils attending schools or classes established pursuant to
12 Article 2.5 (commencing with Section 48645) of Chapter 4 of Part
13 27 of Division 4 of Title 2 by the sum of the base grant calculated
14 pursuant to paragraph (1), a supplemental grant equal to 35 percent
15 of the base grant calculated pursuant to paragraph (1), and a
16 concentration grant equal to 17.5 percent of the base grant
17 calculated pursuant to paragraph (1). Funds provided for the
18 supplemental and concentration grants pursuant to this calculation
19 shall be expended in accordance with the regulations adopted
20 pursuant to Section 42238.07.

21 (C) Add the amounts calculated in subparagraphs (A) and (B).

22 (d) Add the amount calculated in subdivision (a) to the amount
23 calculated in subparagraph (C) of paragraph (4) of subdivision (c).

24 (e) Add all of the following to the amount calculated in
25 subdivision (d):

26 (1) The amount of funding a county superintendent of schools
27 received for the 2012–13 fiscal year from funds allocated pursuant
28 to the Targeted Instructional Improvement Block Grant program,
29 as set forth in Article 6 (commencing with Section 41540) of
30 Chapter 3.2 of Part 24 of Division 3 of Title 2, as that article read
31 on January 1, 2013.

32 (2) (A) (i) The amount of funding a county superintendent of
33 schools received for the 2012–13 fiscal year from funds allocated
34 pursuant to the Home-to-School Transportation program, as set
35 forth in former Article 2 (commencing with Section 39820) of
36 Chapter 1 of Part 23.5 of Division 3 of Title 2, former Article 10
37 (commencing with Section 41850) of Chapter 5 of Part 24 of
38 Division 3 of Title 2, and the Small School District Transportation
39 program, as set forth in former Article 4.5 (commencing with

1 Section 42290) of Chapter 7 of Part 24 of Division 3 of Title 2, as
2 those articles read on January 1, 2013.

3 (ii) If a home-to-school transportation joint powers agency,
4 established pursuant to Article 1 (commencing with Section 6500)
5 of Chapter 5 of Division 7 of Title 1 of the Government Code for
6 purposes of providing pupil transportation, received an
7 apportionment directly from the Superintendent pursuant to Item
8 6110-111-0001 of Section 2.00 of the Budget Act of 2012, as
9 identified in clause (i) of subparagraph (A) of paragraph (2) of
10 subdivision (a) of Section 2575, the joint powers agency may
11 identify the member local educational agencies and transfer
12 entitlement to that funding to any of those member local
13 educational agencies by reporting to the Superintendent, on or
14 before September 30, 2015, the reassignment of a specified amount
15 of the joint powers agency's 2012-13 fiscal year entitlement to
16 the member local educational agency. Commencing with the
17 2015-16 fiscal year, the Superintendent shall add the reassigned
18 amounts to the amounts calculated pursuant to this paragraph.

19 (B) On or before March 1, 2014, the Legislative Analyst's Office
20 shall submit recommendations to the fiscal committees of both
21 houses of the Legislature regarding revisions to the methods of
22 funding pupil transportation that address historical funding
23 inequities across county offices of education and school districts
24 and improve incentives for local educational agencies to provide
25 efficient and effective pupil transportation services.

26 SEC. 2. Section 42238.02 of the Education Code is amended
27 to read:

28 42238.02. (a) The amount computed pursuant to this section
29 shall be known as the school district and charter school local
30 control funding formula.

31 (b) (1) For purposes of this section "unduplicated pupil" means
32 a pupil enrolled in a school district or a charter school who is either
33 classified as an English learner, eligible for a free or reduced-price
34 meal, or is a foster youth. A pupil shall be counted only once for
35 purposes of this section if any of the following apply:

36 (A) The pupil is classified as an English learner and is eligible
37 for a free or reduced-price meal.

38 (B) The pupil is classified as an English learner and is a foster
39 youth.

1 (C) The pupil is eligible for a free or reduced-price meal and is
2 classified as a foster youth.

3 (D) The pupil is classified as an English learner, is eligible for
4 a free or reduced-price meal, and is a foster youth.

5 (E) (i) *Commencing with the 2019–20 fiscal year, the pupil is*
6 *classified as a member of the lowest performing subgroup or*
7 *subgroups as defined in paragraph (7).*

8 (ii) *The implementation of clause (i) shall be contingent upon*
9 *the appropriation of funds for its purpose in the annual Budget*
10 *Act or other statute.*

11 (2) Under procedures and timeframes established by the
12 Superintendent, commencing with the 2013–14 fiscal year, a school
13 district or charter school shall annually submit its enrolled free
14 and reduced-price meal eligibility, foster youth, and English learner
15 pupil-level records for enrolled pupils to the Superintendent using
16 the California Longitudinal Pupil Achievement Data System.

17 (3) (A) Commencing with the 2013–14 fiscal year, a county
18 office of education shall review and validate certified aggregate
19 English learner, foster youth, and free or reduced-price meal
20 eligible pupil data for school districts and charter schools under
21 its jurisdiction to ensure the data is reported accurately. The
22 Superintendent shall provide each county office of education with
23 appropriate access to school district and charter school data reports
24 in the California Longitudinal Pupil Achievement Data System
25 for purposes of ensuring data reporting accuracy.

26 (B) The Controller shall include the instructions necessary to
27 enforce paragraph (2) in the audit guide required by Section
28 14502.1. The instructions shall include, but are not necessarily
29 limited to, procedures for determining if the English learner, foster
30 youth, and free or reduced-price meal eligible pupil counts are
31 consistent with the school district's or charter school's English
32 learner, foster youth, and free or reduced-price meal eligible pupil
33 records.

34 (4) The Superintendent shall make the calculations pursuant to
35 this section using the data submitted by local educational agencies,
36 including charter schools, through the California Longitudinal
37 Pupil Achievement Data System. Under timeframes and procedures
38 established by the Superintendent, school districts and charter
39 schools may review and revise their submitted data on English
40 learner, foster youth, and free or reduced-price meal eligible pupil

1 counts to ensure the accuracy of data reflected in the California
2 Longitudinal Pupil Achievement Data System.

3 (5) The Superintendent shall annually compute the percentage
4 of unduplicated pupils for each school district and charter school
5 by dividing the enrollment of unduplicated pupils in a school
6 district or charter school by the total enrollment in that school
7 district or charter school pursuant to all of the following:

8 (A) For the 2013–14 fiscal year, divide the sum of unduplicated
9 pupils for the 2013–14 fiscal year by the sum of the total pupil
10 enrollment for the 2013–14 fiscal year.

11 (B) For the 2014–15 fiscal year, divide the sum of unduplicated
12 pupils for the 2013–14 and 2014–15 fiscal years by the sum of the
13 total pupil enrollment for the 2013–14 and 2014–15 fiscal years.

14 (C) For the 2015–16 fiscal year and each fiscal year thereafter,
15 divide the sum of unduplicated pupils for the current fiscal year
16 and the two prior fiscal years by the sum of the total pupil
17 enrollment for the current fiscal year and the two prior fiscal years.

18 (D) (i) For purposes of the quotients determined pursuant to
19 subparagraphs (B) and (C), the Superintendent shall use a school
20 district's or charter school's enrollment of unduplicated pupils and
21 total pupil enrollment in the 2014–15 fiscal year instead of the
22 enrollment of unduplicated pupils and total pupil enrollment in
23 the 2013–14 fiscal year if doing so would yield an overall greater
24 percentage of unduplicated pupils.

25 (ii) It is the intent of the Legislature to review each school
26 district and charter school's enrollment of unduplicated pupils for
27 the 2013–14 and 2014–15 fiscal years and provide one-time
28 funding, if necessary, for a school district or charter school with
29 higher enrollment of unduplicated pupils in the 2014–15 fiscal
30 year as compared to the 2013–14 fiscal year.

31 (6) The data used to determine the percentage of unduplicated
32 pupils shall be final once that data is no longer used in the current
33 fiscal year calculation of the percentage of unduplicated pupils.
34 This paragraph does not apply to a change that is the result of an
35 audit that has been appealed pursuant to Section 41344.

36 (7) (A) *Commencing with the 2019–20 fiscal year,*
37 *“unduplicated pupil” shall also mean a pupil who is included in*
38 *the lowest performing subgroup or subgroups, as defined in Section*
39 *52052, based on the most recently available mathematics or*
40 *language arts results on the California Assessment of Student*

1 *Performance and Progress. For purposes of this paragraph, the*
2 *Superintendent shall annually identify the lowest performing pupil*
3 *subgroup or subgroups. For the 2019–20 fiscal year, the*
4 *Superintendent shall use the 2018 assessment results.*

5 *(B) The identification of subgroups for purposes of this*
6 *paragraph shall exclude both of the following:*

7 *(i) A subgroup already identified for supplemental funding in*
8 *paragraph (1).*

9 *(ii) Any subgroup specifically receiving supplemental funding*
10 *on a per-pupil basis through state or federal resources received*
11 *from a source other than pursuant to this section.*

12 *(C) A subgroup identified in the 2019–20 fiscal year as a lowest*
13 *performing subgroup shall continue to receive supplemental*
14 *funding under this section until its performance meets or exceeds*
15 *the highest performing subgroup of pupils in the state.*

16 *(D) The implementation of subparagraphs (A) to (C), inclusive,*
17 *shall be contingent upon the appropriation of funds for its purpose*
18 *in the annual Budget Act or other statute.*

19 *(c) Commencing with the 2013–14 fiscal year and each fiscal*
20 *year thereafter, the Superintendent shall annually calculate a local*
21 *control funding formula grant for each school district and charter*
22 *school in the state pursuant to this section.*

23 *(d) The Superintendent shall compute a grade span adjusted*
24 *base grant equal to the total of the following amounts:*

25 *(1) For the 2013–14 fiscal year, a base grant of:*

26 *(A) Six thousand eight hundred forty-five dollars (\$6,845) for*
27 *average daily attendance in kindergarten and grades 1 to 3,*
28 *inclusive.*

29 *(B) Six thousand nine hundred forty-seven dollars (\$6,947) for*
30 *average daily attendance in grades 4 to 6, inclusive.*

31 *(C) Seven thousand one hundred fifty-four dollars (\$7,154) for*
32 *average daily attendance in grades 7 and 8.*

33 *(D) Eight thousand two hundred eighty-nine dollars (\$8,289)*
34 *for average daily attendance in grades 9 to 12, inclusive.*

35 *(2) In each year the grade span adjusted base grants in paragraph*
36 *(1) shall be adjusted by the percentage change in the annual average*
37 *value of the Implicit Price Deflator for State and Local Government*
38 *Purchases of Goods and Services for the United States, as published*
39 *by the United States Department of Commerce for the 12-month*
40 *period ending in the third quarter of the prior fiscal year. This*

1 percentage change shall be determined using the latest data
2 available as of May 10 of the preceding fiscal year compared with
3 the annual average value of the same deflator for the 12-month
4 period ending in the third quarter of the second preceding fiscal
5 year, using the latest data available as of May 10 of the preceding
6 fiscal year, as reported by the Department of Finance.

7 (3) (A) The Superintendent shall compute an additional
8 adjustment to the kindergarten and grades 1 to 3, inclusive, base
9 grant as adjusted for inflation pursuant to paragraph (2) equal to
10 10.4 percent. The additional grant shall be calculated by
11 multiplying the kindergarten and grades 1 to 3, inclusive, base
12 grant, as adjusted by paragraph (2), by 10.4 percent.

13 (B) Until paragraph (4) of subdivision (b) of Section 42238.03
14 is effective, as a condition of the receipt of funds in this paragraph,
15 a school district shall make progress toward maintaining an average
16 class enrollment of not more than 24 pupils for each schoolsite in
17 kindergarten and grades 1 to 3, inclusive, unless a collectively
18 bargained alternative annual average class enrollment for each
19 schoolsite in those grades is agreed to by the school district,
20 pursuant to the following calculation:

21 (i) Determine a school district's average class enrollment for
22 each schoolsite for kindergarten and grades 1 to 3, inclusive, in
23 the prior year. For the 2013–14 fiscal year, this amount shall be
24 the average class enrollment for each schoolsite for kindergarten
25 and grades 1 to 3, inclusive, in the 2012–13 fiscal year.

26 (ii) Determine a school district's proportion of total need
27 pursuant to paragraph (2) of subdivision (b) of Section 42238.03.

28 (iii) Determine the percentage of the need calculated in clause
29 (ii) that is met by funding provided to the school district pursuant
30 to paragraph (3) of subdivision (b) of Section 42238.03.

31 (iv) Determine the difference between the amount computed
32 pursuant to clause (i) and an average class enrollment of not more
33 than 24 pupils.

34 (v) Calculate a current year average class enrollment adjustment
35 for each schoolsite for kindergarten and grades 1 to 3, inclusive,
36 equal to the adjustment calculated in clause (iv) multiplied by the
37 percentage determined pursuant to clause (iii).

38 (C) School districts that have an average class enrollment for
39 each schoolsite for kindergarten and grades 1 to 3, inclusive, of
40 24 pupils or less for each schoolsite in the 2012–13 fiscal year,

1 shall be exempt from the requirements of subparagraph (B) so long
2 as the school district continues to maintain an average class
3 enrollment for each schoolsite for kindergarten and grades 1 to 3,
4 inclusive, of not more than 24 pupils, unless a collectively
5 bargained alternative ratio is agreed to by the school district.

6 (D) Upon full implementation of the local control funding
7 formula, as a condition of the receipt of funds in this paragraph,
8 all school districts shall maintain an average class enrollment for
9 each schoolsite for kindergarten and grades 1 to 3, inclusive, of
10 not more than 24 pupils for each schoolsite in kindergarten and
11 grades 1 to 3, inclusive, unless a collectively bargained alternative
12 ratio is agreed to by the school district.

13 (E) The average class enrollment requirement for each schoolsite
14 for kindergarten and grades 1 to 3, inclusive, established pursuant
15 to this paragraph shall not be subject to waiver by the state board
16 pursuant to Section 33050 or by the Superintendent.

17 (F) The Controller shall include the instructions necessary to
18 enforce this paragraph in the audit guide required by Section
19 14502.1. The instructions shall include, but are not necessarily
20 limited to, procedures for determining if the average class
21 enrollment for each schoolsite for kindergarten and grades 1 to 3,
22 inclusive, exceeds 24 pupils, or an alternative average class
23 enrollment for each schoolsite pursuant to a collectively bargained
24 alternative ratio. The procedures for determining average class
25 enrollment for each schoolsite shall include criteria for employing
26 sampling.

27 (4) The Superintendent shall compute an additional adjustment
28 to the base grant for grades 9 to 12, inclusive, as adjusted for
29 inflation pursuant to paragraph (2), equal to 2.6 percent. The
30 additional grant shall be calculated by multiplying the base grant
31 for grades 9 to 12, inclusive, as adjusted by paragraph (2), by 2.6
32 percent.

33 (e) The Superintendent shall compute a supplemental grant
34 add-on equal to 20 percent of the base grants as specified in
35 subparagraphs (A) to (D), inclusive, of paragraph (1) of subdivision
36 (d), as adjusted by paragraphs (2) to (4), inclusive, of subdivision
37 (d), for each school district's or charter school's percentage of
38 unduplicated pupils calculated pursuant to paragraph (5) of
39 subdivision (b). The supplemental grant shall be calculated by
40 multiplying the base grants as specified in subparagraphs (A) to

1 (D), inclusive, of paragraph (1), as adjusted by paragraphs (2) to
2 (4), inclusive, of subdivision (d), by 20 percent and by the
3 percentage of unduplicated pupils calculated pursuant to paragraph
4 (5) of subdivision (b) in that school district or charter school. The
5 supplemental grant shall be expended in accordance with the
6 regulations adopted pursuant to Section 42238.07.

7 (f) (1) The Superintendent shall compute a concentration grant
8 add-on equal to 50 percent of the base grants as specified in
9 subparagraphs (A) to (D), inclusive, of paragraph (1) of subdivision
10 (d), as adjusted by paragraphs (2) to (4), inclusive, of subdivision
11 (d), for each school district's or charter school's percentage of
12 unduplicated pupils calculated pursuant to paragraph (5) of
13 subdivision (b) in excess of 55 percent of the school district's or
14 charter school's total enrollment. The concentration grant shall be
15 calculated by multiplying the base grants as specified in
16 subparagraphs (A) to (D), inclusive, of paragraph (1) of subdivision
17 (d), as adjusted by paragraphs (2) to (4), inclusive, of subdivision
18 (d), by 50 percent and by the percentage of unduplicated pupils
19 calculated pursuant to paragraph (5) of subdivision (b) in excess
20 of 55 percent of the total enrollment in that school district or charter
21 school.

22 (2) (A) For a charter school physically located in only one
23 school district, the percentage of unduplicated pupils calculated
24 pursuant to paragraph (5) of subdivision (b) in excess of 55 percent
25 used to calculate concentration grants shall not exceed the
26 percentage of unduplicated pupils calculated pursuant to paragraph
27 (5) of subdivision (b) in excess of 55 percent of the school district
28 in which the charter school is physically located. For a charter
29 school physically located in more than one school district, the
30 charter school's percentage of unduplicated pupils calculated
31 pursuant to paragraph (5) of subdivision (b) in excess of 55 percent
32 used to calculate concentration grants shall not exceed that of the
33 school district with the highest percentage of unduplicated pupils
34 calculated pursuant to paragraph (5) of subdivision (b) in excess
35 of 55 percent of the school districts in which the charter school
36 has a school facility. The concentration grant shall be expended
37 in accordance with the regulations adopted pursuant to Section
38 42238.07.

39 (B) For purposes of this paragraph and subparagraph (A) of
40 paragraph (1) of subdivision (f) of Section 42238.03, a charter

1 school shall report its physical location to the department under
2 timeframes established by the department. For a charter school
3 authorized by a school district, the department shall include the
4 authorizing school district in the department's determination of
5 physical location. For a charter school authorized on appeal
6 pursuant to subdivision (j) of Section 47605, the department shall
7 include the sponsoring school district in the department's
8 determination of physical location. The reported physical location
9 of the charter school shall be considered final as of the second
10 principal apportionment for that fiscal year. For purposes of this
11 paragraph, the percentage of unduplicated pupils of the school
12 district associated with the charter school pursuant to subparagraph
13 (A) shall be considered final as of the second principal
14 apportionment for that fiscal year.

15 (g) The Superintendent shall compute an add-on to the total
16 sum of a school district's or charter school's base, supplemental,
17 and concentration grants equal to the amount of funding a school
18 district or charter school received from funds allocated pursuant
19 to the Targeted Instructional Improvement Block Grant program,
20 as set forth in Article 6 (commencing with Section 41540) of
21 Chapter 3.2, for the 2012–13 fiscal year, as that article read on
22 January 1, 2013. A school district or charter school shall not receive
23 a total funding amount from this add-on greater than the total
24 amount of funding received by the school district or charter school
25 from that program in the 2012–13 fiscal year. The amount
26 computed pursuant to this subdivision shall reflect the reduction
27 specified in paragraph (2) of subdivision (a) of Section 42238.03.

28 (h) (1) The Superintendent shall compute an add-on to the total
29 sum of a school district's or charter school's base, supplemental,
30 and concentration grants equal to the amount of funding a school
31 district or charter school received from funds allocated pursuant
32 to the Home-to-School Transportation program, as set forth in
33 former Article 2 (commencing with Section 39820) of Chapter 1
34 of Part 23.5, former Article 10 (commencing with Section 41850)
35 of Chapter 5, and the Small School District Transportation
36 program, as set forth in former Article 4.5 (commencing with
37 Section 42290), as those articles read on January 1, 2013, for the
38 2012–13 fiscal year. A school district or charter school shall not
39 receive a total funding amount from this add-on greater than the
40 total amount received by the school district or charter school for

1 those programs in the 2012–13 fiscal year. The amount computed
2 pursuant to this subdivision shall reflect the reduction specified in
3 paragraph (2) of subdivision (a) of Section 42238.03.

4 (2) If a home-to-school transportation joint powers agency,
5 established pursuant to Article 1 (commencing with Section 6500)
6 of Chapter 5 of Division 7 of Title 1 of the Government Code for
7 purposes of providing pupil transportation, received an
8 apportionment directly from the Superintendent from any of the
9 funding sources specified in paragraph (1) for the 2012–13 fiscal
10 year, the joint powers agency may identify the member local
11 educational agencies and transfer entitlement to that funding to
12 any of those member local educational agencies by reporting to
13 the Superintendent, on or before September 30, 2015, the
14 reassignment of a specified amount of the joint powers agency's
15 2012–13 fiscal year entitlement to the member local educational
16 agency. Commencing with the 2015–16 fiscal year, the
17 Superintendent shall compute an add-on to the total sum of a school
18 district's or charter school's base, supplemental, and concentrations
19 grants equal to the amount of the entitlement to funding transferred
20 by the joint powers agency to the member school district or charter
21 school.

22 (i) (1) The sum of the local control funding formula rates
23 computed pursuant to subdivisions (c) to (f), inclusive, shall be
24 multiplied by:

25 (A) For school districts, the average daily attendance of the
26 school district in the corresponding grade level ranges computed
27 pursuant to Section 42238.05, excluding the average daily
28 attendance computed pursuant to paragraph (2) of subdivision (a)
29 of Section 42238.05 for purposes of the computation specified in
30 subdivision (d).

31 (B) For charter schools, the total current year average daily
32 attendance in the corresponding grade level ranges.

33 (2) The amount computed pursuant to Article 4 (commencing
34 with Section 42280) shall be added to the amount computed
35 pursuant to paragraphs (1) to (4), inclusive, of subdivision (d), as
36 multiplied by subparagraph (A) or (B) of paragraph (1), as
37 appropriate.

38 (j) The Superintendent shall adjust the sum of each school
39 district's or charter school's amount determined in subdivisions

1 (g) to (i), inclusive, pursuant to the calculation specified in Section
2 42238.03, less the sum of the following:

3 (1) (A) For school districts, the property tax revenue received
4 pursuant to Chapter 3.5 (commencing with Section 75) and Chapter
5 6 (commencing with Section 95) of Part 0.5 of Division 1 of the
6 Revenue and Taxation Code.

7 (B) For charter schools, the in-lieu property tax amount provided
8 to a charter school pursuant to Section 47635.

9 (2) The amount, if any, received pursuant to Part 18.5
10 (commencing with Section 38101) of Division 2 of the Revenue
11 and Taxation Code.

12 (3) The amount, if any, received pursuant to Chapter 3
13 (commencing with Section 16140) of Part 1 of Division 4 of Title
14 2 of the Government Code.

15 (4) Prior years' taxes and taxes on the unsecured roll.

16 (5) Fifty percent of the amount received pursuant to Section
17 41603.

18 (6) The amount, if any, received pursuant to the Community
19 Redevelopment Law (Part 1 (commencing with Section 33000)
20 of Division 24 of the Health and Safety Code), less any amount
21 received pursuant to Section 33401 or 33676 of the Health and
22 Safety Code that is used for land acquisition, facility construction,
23 reconstruction, or remodeling, or deferred maintenance and that
24 is not an amount received pursuant to Section 33492.15, or
25 paragraph (4) of subdivision (a) of Section 33607.5, or Section
26 33607.7 of the Health and Safety Code that is allocated exclusively
27 for educational facilities.

28 (7) The amount, if any, received pursuant to Sections 34177,
29 34179.5, 34179.6, 34183, and 34188 of the Health and Safety
30 Code.

31 (8) Revenue received pursuant to subparagraph (B) of paragraph
32 (3) of subdivision (e) of Section 36 of Article XIII of the California
33 Constitution.

34 (k) A school district shall annually transfer to each of its charter
35 schools funding in lieu of property taxes pursuant to Section 47635.

36 (l) (1) Nothing in this section shall be interpreted to authorize
37 a school district that receives funding on behalf of a charter school
38 pursuant to Section 47651 to redirect this funding for another
39 purpose unless otherwise authorized in law pursuant to paragraph

1 (2) or pursuant to an agreement between the charter school and its
2 chartering authority.

3 (2) A school district that received funding on behalf of a locally
4 funded charter school in the 2012–13 fiscal year pursuant to
5 paragraph (2) of subdivision (b) of Section 42605, Section 42606,
6 and subdivision (b) of Section 47634.1, as those sections read on
7 January 1, 2013, or a school district that was required to pass
8 through funding to a conversion charter school in the 2012–13
9 fiscal year pursuant to paragraph (2) of subdivision (b) of Section
10 42606, as that section read on January 1, 2013, may annually
11 redirect for another purpose a percentage of the amount of the
12 funding received on behalf of that charter school. The percentage
13 of funding that may be redirected shall be determined pursuant to
14 the following computation:

15 (A) (i) Determine the sum of the need fulfilled for that charter
16 school pursuant to paragraph (3) of subdivision (b) of Section
17 42238.03 in the then current fiscal year for the charter school.

18 (ii) Determine the sum of the need fulfilled in every fiscal year
19 before the then current fiscal year pursuant to paragraph (3) of
20 subdivision (b) of Section 42238.03 adjusted for changes in average
21 daily attendance pursuant to paragraph (3) of subdivision (a) of
22 Section 42238.03 for the charter school.

23 (iii) Subtract the amount computed pursuant to paragraphs (1)
24 to (3), inclusive, of subdivision (a) of Section 42238.03 from the
25 amount computed for that charter school under the local control
26 funding formula entitlement computed pursuant to subdivision (i)
27 of this section.

28 (iv) Compute a percentage by dividing the sum of the amounts
29 computed to clauses (i) and (ii) by the amount computed pursuant
30 to clause (iii).

31 (B) Multiply the percentage computed pursuant to subparagraph
32 (A) by the amount of funding the school district received on behalf
33 of the charter school in the 2012–13 fiscal year pursuant to
34 paragraph (2) of subdivision (b) of Section 42605, Section 42606,
35 and subdivision (b) of Section 47634.1, as those sections read on
36 January 1, 2013.

37 (C) The maximum amount that may be redirected shall be the
38 lesser of the amount of funding the school district received on
39 behalf of the charter school in the 2012–13 fiscal year pursuant to
40 paragraph (2) of subdivision (b) of Section 42605, Section 42606,

1 and subdivision (b) of Section 47634.1, as those sections read on
2 January 1, 2013, or the amount computed pursuant to subparagraph
3 (B).

4 (3) Commencing with the 2013–14 fiscal year, a school district
5 operating one or more affiliated charter schools shall provide each
6 affiliated charter school schoolsite with no less than the amount
7 of funding the schoolsite received pursuant to the charter school
8 block grant in the 2012–13 fiscal year.

9 (m) Any calculations in law that are used for purposes of
10 determining if a local educational agency is an excess tax school
11 entity or basic aid school district, including, but not limited to, this
12 section and Sections 42238.03, 41544, 47632, 47660, 47663,
13 48310, and 48359.5, and Section 95 of the Revenue and Taxation
14 Code, shall be made exclusive of the revenue received pursuant
15 to subparagraph (B) of paragraph (3) of subdivision (e) of Section
16 36 of Article XIII of the California Constitution.

17 (n) The funds apportioned pursuant to this section and Section
18 42238.03 shall be available to implement the activities required
19 pursuant to Article 4.5 (commencing with Section 52059.5) of
20 Chapter 6.1 of Part 28 of Division 4.

21 (o) A school district that does not receive an apportionment of
22 state funds pursuant to this section, as implemented pursuant to
23 Section 42238.03, excluding funds apportioned pursuant to the
24 requirements of subparagraph (A) of paragraph (2) of subdivision
25 (e) of Section 42238.03, shall be considered a “basic aid school
26 district” or an “excess tax entity.”

O

AB 575: Local Control Funding Formula: Lowest Performing Subgroup

Assemblymember Shirley Weber (D – 79)

SUMMARY

AB 575 will create a new supplemental grant category in the local control funding formula for the lowest performing subgroup of students not currently receiving a supplemental grant.

BACKGROUND

The Local Control Funding Formula (LCFF) was enacted in 2013. The LCFF was designed to be a more equitable system of funding, with the goal of providing additional funding for the highest needs students. Base grants, concentration grants and supplemental grants were created to provide additional funding and accountability to school districts and charter schools to provide extra support for high needs students. These subgroups of students include English Language Learners, low-income students, and foster/homeless youth.

According to the California Department of Education's 2015 publication, "English Language Arts/English Language Development Framework for California Public Schools: Kindergarten Through Grade Twelve (ELA/ELD Framework)", students who achieve the California Common Core Student Standards (CCSS) for ELA/Literacy possess competent skills in reading, writing, speaking, and listening that are the foundation for any creative and purposeful expression in language.

However, statewide 2017 testing data showed that African American students are the lowest performing subgroup with only 31% meeting English Language Arts (ELA) Standards and only 19% meeting Math

Standards. The statewide average for all students was 49% meeting ELA and 38% Math Standards. This is not a new phenomenon as African American performance has been low for decades. There are 350,000 African American students in California, yet only 260,000 receive supplement funding under LCFF because they are low income or homeless or foster youth. As such, 90,000 African American students or 26% are not receiving additional supplemental funding through the LCFF.

African American students have the highest suspension rate of any subgroup at 9.8% compared to 3.7% Latino and 3.2% Caucasian. In addition, they have the lowest high school graduation rate of 72.9% compared to 80.5% Latino, 88.9% white and 93.7% Asian. These students are not being given enough academic support. The equitable goals of the formula are not being met.

EXISTING LAW

Under existing law, the LCFF generates a base grant of funding per student. The LCFF generates additional supplemental grant funds per student if they are low-income, English Language Learners, or a foster/homeless youth. These supplemental grant funds come with additional accountability required for each of these subgroups within each school district's and charter school's Local Control Accountability Plan (LCAP).

THIS BILL

AB 575 seeks to add a new supplemental grant category in the LCFF to include the lowest performing subgroup of students statewide. This would ensure that school districts and charter schools throughout the state are being held accountable to provide additional services and improve academic performance among the lowest performing subgroup. Once their performance standards are met, the supplemental funding will transfer to the next lowest performing subgroup

PREVIOUS LEGISLATION

AB 97 (Budget, 2013) Established the Local Control Funding Formula

AB 2635 (Weber, 2018) LCFF: Lowest Performing Subgroup

SUPPORT

OPPOSITION

STATUS

Introduced 2/14/2019

FOR MORE INFORMATION

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