

AMENDED IN ASSEMBLY MAY 1, 2023

AMENDED IN ASSEMBLY APRIL 7, 2023

CALIFORNIA LEGISLATURE—2023–24 REGULAR SESSION

## ASSEMBLY BILL

**No. 938**

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**Introduced by Assembly Member Muratsuchi**  
**(Coauthors: Assembly Members Juan Carrillo and Lee)**

February 14, 2023

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An act to amend ~~Section 42238.02~~ Sections 2574, 42238.02, 42282, and 42284 of, and to add ~~Section~~ Sections 42238.015 and 42238.016 to, the Education Code, relating to education finance.

### LEGISLATIVE COUNSEL'S DIGEST

AB 938, as amended, Muratsuchi. Education finance: local control funding formula: base grants: classified and certificated staff salaries.

~~Existing law establishes~~

*(1) Existing law, commencing with the 2013–14 fiscal year, 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. Existing law requires ~~school~~ the Superintendent of Public Instruction to annually calculate a county local control funding formula for each county superintendent of schools that includes, among other components, a county office of education operations grant composed of (A) \$655,920, as adjusted each fiscal year for inflation; (B) \$109,320 per school district under the county office of education's jurisdiction, as adjusted each fiscal year for inflation; (C) \$70 per unit of countywide average daily attendance up to 30,000 units, \$60 per unit for 30,001 to 60,000 units, \$50 per unit for 60,001 to 140,000 units, and \$40 per*

unit above 140,000 units, as adjusted each fiscal year for inflation; and (D) commencing with the 2022–23 fiscal year, add-ons of (i) \$175,000 to the per-school district amount and (ii) \$14 to each per-unit amount.

This bill, commencing with the 2030–31 fiscal year, would increase each of those inflation-adjusted amounts to \$1,208,859, \$201,475, \$129, \$111, \$92, and \$74, respectively, and would retain the requirement to adjust those amounts for inflation each fiscal year. The bill, commencing with the 2030–31 fiscal year, would increase the per-school district and per-unit add-on amounts to \$262,500 and \$21, respectively.

(2) Existing law requires the county office of education local control funding formula to also include, among other things, an alternative education base grant that includes, among its own components, a base grant equal to the 2012–13 per pupil undeficitated statewide average juvenile court school base revenue limit, as specified. Existing law requires that amount to be adjusted for inflation each fiscal year.

This bill, commencing with the 2030–31 fiscal year, would increase the inflation-adjusted base grant component of the alternative education grant to \$20,674 and would retain the requirement to adjust that amount for inflation each fiscal year.

(3) Existing law provides for the funding of necessary small schools and high schools, as specified. Existing law requires that funding to include, among other things, various specified per-pupil and per-teacher amounts for different tiers of numbers of pupils and teachers, as specified. Existing law requires those amounts to be adjusted for inflation each fiscal year.

This bill, commencing with the 2030–31 fiscal year, would increase those various per-pupil and per-teacher inflation-adjusted amounts, as specified, and would retain the requirement to adjust that amount for inflation each fiscal year.

(4) Existing law, commencing with the 2013–14 fiscal year, requires school district and charter school funding pursuant to the local control funding formula to include, among other things, a base grant of specified amounts based on average daily attendance in kindergarten and grades 1 to 3, inclusive, grades 4 to 6, inclusive, grades 7 and 8, and grades 9 to 12, inclusive, as provided: of \$6,485, \$6,947, \$7,154, and \$8,289 per pupil, respectively. Existing law requires those amounts to be adjusted for inflation each fiscal year.

~~This bill would, bill, commencing with the 2030–31 fiscal year, would increase the base grant amount based on average daily attendance for school districts and charter schools, as provided. The bill those~~

*inflation-adjusted base grant amounts to \$13,749, \$13,956, \$14,370, and \$16,653 per pupil, respectively, and would retain the requirement to adjust those amounts for inflation each fiscal year.*

(5) *This bill would also require the State Department of Education, by July 1, 2024, to update a salary and benefit schedule form, as described, to include salary data collection for classified school staff assigned to a schoolsite or sites in the same manner as that data is collected for certificated staff assigned to a schoolsite or sites, and to call this updated form the Salary and Benefit Schedule for the Bargaining Units (Form J-90). The bill would require school districts, county offices of education, and charter schools, by September 1, 2024, and annually thereafter, to complete the Form J-90 for specified classified and certificated staff assigned to a schoolsite or sites and report the Form J-90 to the ~~department~~ department, and would authorize those local educational agencies to complete and report the Form J-90 for prior fiscal years, as provided.* By imposing new duties on local educational agencies, the bill would impose a state-mandated local program. The bill would require the department, by November 1, 2024, and annually thereafter, to report to the Legislature on the progress of school districts, county offices of education, and charter schools in increasing salaries for classified and certificated staff assigned to a schoolsite or sites, as provided.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

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

*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:

(a) Compute a county office of education operations grant equal to the sum of each of the following amounts:

(1) (A) Six hundred fifty-five thousand nine hundred twenty dollars (\$655,920).

(B) *Notwithstanding subparagraph (A), commencing with the 2030–31 fiscal year and for each fiscal year thereafter, one million two hundred eight thousand eight hundred fifty-nine dollars (\$1,208,859), as adjusted each fiscal year pursuant to paragraph (4).*

(2) (A) One hundred nine thousand three hundred twenty dollars (\$109,320) multiplied by the number of school districts for which the county superintendent of schools has jurisdiction pursuant to Section 1253.

(B) *Notwithstanding subparagraph (A), commencing with the 2030–31 fiscal year and for each fiscal year thereafter, two hundred one thousand four hundred seventy-five dollars (\$201,475) multiplied by the number of school districts for which the county superintendent of schools has jurisdiction pursuant to Section 1253, as adjusted each fiscal year pursuant to paragraph (4).*

(3) (A) (i) Seventy dollars (\$70) multiplied by the number of units of countywide average daily attendance, up to a maximum of 30,000 units.

(ii) *Notwithstanding clause (i), commencing with the 2030–31 fiscal year and for each fiscal year thereafter, one hundred twenty-nine dollars (\$129) multiplied by the number of units of countywide average daily attendance, up to a maximum of 30,000 units, as adjusted each fiscal year pursuant to paragraph (4).*

(B) (i) Sixty dollars (\$60) multiplied by the number of units of countywide average daily attendance for the portion of countywide average daily attendance, if any, above 30,000 units, up to a maximum of 60,000 units.

(ii) *Notwithstanding clause (i), commencing with the 2030–31 fiscal year and for each fiscal year thereafter, one hundred eleven dollars (\$111) multiplied by the number of units of countywide average daily attendance for the portion of countywide average daily attendance, if any, above 30,000 units, up to a maximum of 60,000 units, as adjusted each fiscal year pursuant to paragraph (4).*

(C) (i) Fifty dollars (\$50) multiplied by the number of units of countywide average daily attendance for the portion of countywide

average daily attendance, if any, above ~~60,000~~; 60,000 units, up to a maximum of 140,000 units.

(ii) *Notwithstanding clause (i), commencing with the 2030–31 fiscal year and for each fiscal year thereafter, ninety-two dollars (\$92) multiplied by the number of units of countywide average daily attendance for the portion of countywide average daily attendance, if any, above 60,000 units, up to a maximum of 140,000 units, as adjusted each year fiscal year pursuant to paragraph (4).*

(D) (i) Forty dollars (\$40) multiplied by the number of units of countywide average daily attendance for the portion of countywide average daily attendance, if any, above 140,000 units.

(ii) *Notwithstanding clause (i), commencing with the 2030–31 fiscal year and for each fiscal year thereafter, seventy-four dollars (\$74) multiplied by the number of units of countywide average daily attendance for the portion of countywide average daily attendance, if any, above 140,000 units, as adjusted each year fiscal year pursuant to paragraph (4).*

(E) For purposes of this section, countywide average daily attendance means the aggregate number of annual units of average daily attendance within the county attributable to all school districts for which the county superintendent of schools has jurisdiction pursuant to Section 1253, charter schools authorized by school districts for which the county superintendent of schools has jurisdiction, and charter schools authorized by the county superintendent of schools.

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

~~(5) Commencing with (A) For the 2022–23 fiscal year, to 2029–30 fiscal years, inclusive, add one hundred seventy-five~~

1 thousand dollars (\$175,000) to the amount specified in paragraph  
2 (2), as that rate was adjusted pursuant to paragraph (4).

3 *(B) Commencing with the 2030–31 fiscal year and for each*  
4 *fiscal year thereafter, add two hundred sixty-two thousand five*  
5 *hundred dollars (\$262,500) to the amount specified in paragraph*  
6 *(2), as that rate was adjusted pursuant to paragraph (4).*

7 ~~(6) Commencing with (A) For the 2022–23 fiscal year, to~~  
8 ~~2029–30 fiscal years, inclusive, add fourteen dollars (\$14) to each~~  
9 ~~of the amounts specified in subparagraphs (A) to (D), inclusive,~~  
10 ~~of paragraph (3), as those rates were adjusted pursuant to paragraph~~  
11 ~~(4).~~

12 *(B) Commencing with the 2030–31 fiscal year and for each*  
13 *fiscal year thereafter, add twenty-one dollars (\$21) to each of the*  
14 *amounts specified in subparagraphs (A) to (D), inclusive, of*  
15 *paragraph (3), as those rates were adjusted pursuant to paragraph*  
16 *(4).*

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

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

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

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

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

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

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

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

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

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

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

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

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

(3) (A) Under procedures and timeframes established by the Superintendent, commencing with the 2013–14 fiscal year, a county superintendent of schools annually shall report the enrollment of unduplicated pupils, pupils classified as English learners, pupils eligible for free and reduced-price meals, and foster youth in schools operated by the county superintendent of schools to the

1 Superintendent using the California Longitudinal Pupil  
2 Achievement Data System.

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

6 (C) The Controller shall include instructions, as appropriate, in  
7 the audit guide required by subdivision (a) of Section 14502.1, for  
8 determining if the data reported by a county superintendent of  
9 schools using the California Longitudinal Pupil Achievement Data  
10 System is consistent with pupil data records maintained by the  
11 county office of education.

12 (c) Compute an alternative education grant equal to the sum of  
13 the following:

14 (1) (A) (i) For the 2013–14 ~~fiscal year~~, to 2029–30 *fiscal years*,  
15 *inclusive*, a base grant equal to the 2012–13 per pupil undeficit  
16 statewide average juvenile court school base revenue limit  
17 calculated pursuant to Article 3 (commencing with Section 2550)  
18 of Chapter 12, as that article read on January 1, 2013. For purposes  
19 of this subparagraph, the 2012–13 statewide average juvenile court  
20 school base revenue limit shall be considered final as of the annual  
21 apportionment for the 2012–13 fiscal year, as calculated for  
22 purposes of the certification required on or before February 20,  
23 2014, pursuant to Sections 41332 and ~~41339~~: *41339, as adjusted*  
24 *each fiscal year pursuant to subparagraph (B).*

25 (ii) *Commencing with the 2030–31 fiscal year and for each*  
26 *fiscal year thereafter, a base grant equal to twenty thousand six*  
27 *hundred seventy-four dollars (\$20,674), as adjusted each fiscal*  
28 *year pursuant to subparagraph (B).*

29 (B) Commencing with the 2013–14 fiscal year, the per pupil  
30 base grant shall be adjusted by the percentage change in the annual  
31 average value of the Implicit Price Deflator for State and Local  
32 Government Purchases of Goods and Services for the United States,  
33 as published by the United States Department of Commerce for  
34 the 12-month period ending in the third quarter of the prior fiscal  
35 year. This percentage change shall be determined using the latest  
36 data available as of May 10 of the preceding fiscal year compared  
37 with the annual average value of the same deflator for the 12-month  
38 period ending in the third quarter of the second preceding fiscal  
39 year, using the latest data available as of May 10 of the preceding  
40 fiscal year, as reported by the Department of Finance.



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

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

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

(ii) Zero.

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

(4) (A) Multiply the sum of paragraphs (1), (2), and (3) by the total number of units of average daily attendance for pupils attending schools operated by a county office of education, excluding units of average daily attendance for pupils attending schools or classes established pursuant to Article 2.5 (commencing with Section 48645) of Chapter 4 of Part 27 of Division 4 of Title 2, who are enrolled pursuant to any of the following:

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

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

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

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

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

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

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

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

(2) (A) The amount of funding a county superintendent of schools received for the 2012–13 fiscal year from funds allocated pursuant to the Home-to-School Transportation program, as set forth in former Article 2 (commencing with Section 39820) of Chapter 1 of Part 23.5 of Division 3 of Title 2, former Article 10 (commencing with Section 41850) of Chapter 5 of Part 24 of Division 3 of Title 2, and the Small School District Transportation program, as set forth in former Article 4.5 (commencing with Section 42290) of Chapter 7 of Part 24 of Division 3 of Title 2, as those articles read on January 1, 2013.

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

(C) Commencing in the 2023–24 fiscal year, the add-on amounts referenced in subparagraphs (A) and (B) shall receive the annual cost-of-living adjustment specified in subparagraph (B) of paragraph (1) of subdivision (c).

(f) *It is the intent of the Legislature to fully fund the county office of education local control funding formula target county operations*

1 *grants and alternative education base grants in those years*  
2 *preceding the 2030–31 fiscal year and to spend those funds in the*  
3 *manner described in paragraph (2) of subdivision (b) of Section*  
4 *42238.015.*

5 SECTION 1.

6 SEC. 2. Section 42238.015 is added to the Education Code,  
7 immediately following Section 42238.01, to read:

8 42238.015. (a) ~~(1)~~—The Legislature finds and declares all of  
9 the following:

10 (A)

11 (1) According to 2023 findings from the Economic Policy  
12 Institute (“EPI”), (EPI), inflation-adjusted average weekly wages  
13 of teachers have been relatively flat since 1996, finding that the  
14 average weekly wages of public school teachers (adjusted only for  
15 inflation) increased just twenty-nine dollars (\$29) from 1996 to  
16 2021, from one thousand three hundred nineteen dollars (\$1,319)  
17 to one thousand three hundred forty-eight dollars (\$1,348) (in 2021  
18 dollars), where, in contrast, inflation-adjusted weekly wages of  
19 other college graduates rose from one thousand five hundred  
20 sixty-four dollars (\$1,564) to two thousand nine dollars (\$2,009)  
21 over the same period — a four hundred forty-five-dollar (\$445)  
22 increase.

23 (B)

24 (2) The EPI also found that the teacher wage penalty, when  
25 comparing wages of teachers to other professions with similar  
26 educational and certification requirements, grew to a record high  
27 in 2021 at 23.5 percent nationally and 17.6 percent in California,  
28 up from 6.1 percent in 1996.

29 (C)

30 (3) Even when taking other benefits into account, the teacher  
31 total compensation penalty grew by only 11.5 percentage points  
32 from 1993 to 2021.

33 (D)

34 (4) The relative teacher wage penalty pushes educator jobs to  
35 the bottom of the market since graduates are able to obtain higher  
36 wage jobs virtually anywhere else, leaving pupils with fewer  
37 veteran educators and larger class sizes, which are the two largest  
38 factors that increase pupil performance, according to the Learning  
39 Policy Institute.

40 (E)

(5) When Proposition 98 was approved by voters in 1988, it set as a target for school spending per pupil to “equal or exceed the average annual expenditure per student of the 10 states with the highest annual expenditures per student for elementary and high schools.” This target is embedded in Section 8.5 of Article XVI of the California Constitution.

~~(2) (A) Therefore,~~

*(b) (1) Therefore,* it is the intent of the Legislature to establish new local control funding formula (LCFF) target grade span-adjusted base grant funding levels for school districts, charter schools, and county offices of education to raise wages by 50 percent, in recognition that the LCFF funding targets established in Assembly Bill 97 of the 2013–14 Regular Session (Chapter 47 of the Statutes of 2013) that were met in the 2018–19 fiscal year did not provide the funding necessary to close the pay gap for educators and schoolsite staff. These aspirational funding levels will continue to support local educational agencies’ efforts to improve recruitment and retention of schoolsite staff and improve educational opportunities for pupils.

~~(B) —It~~

*(2) It is the intent of the Legislature to fully fund the LCFF target base grants over seven years, with full implementation in the 2030–31 fiscal year. It is further the intent of the Legislature to use the funds in order to increase salaries for classified and certificated staff working at schoolsites in school districts, county offices of education, and charter schools by 50 percent by the 2030–31 fiscal year, as compared to the 2020–21 fiscal year or the 2023–24 fiscal year for certificated staff, whichever year the Form J-90 was filed for first, and as compared to the 2023–24 fiscal year for classified staff, to close the wage gap and improve recruitment and retention of school site staff. This Legislative intent does not apply to basic aid school districts.*

~~(b) (1) The department shall, by July 1, 2024, update the Salary and Benefits Schedule for the Certificated Bargaining Unit (Form J-90) to include salary data collection for classified school staff assigned to a schoolsite or sites, in the same manner as collected for certificated staff assigned to a schoolsite or sites.~~

~~(2) The Salary and Benefits Schedule for the Certificated Bargaining Unit (Form J-90) shall be known as the Salary and Benefit Schedule for the Bargaining Units (Form J-90).~~

~~(3) On or before September 1, 2024, and annually thereafter, school districts, county offices of education, and charter schools shall complete the Salary and Benefit Schedule for the Bargaining Units (Form J-90) for classified and certificated staff assigned to a schoolsite or sites and report the Form J-90 to the department.~~

~~(4) On or before November 1, 2024, and annually thereafter, the department shall report to the Legislature, in compliance with Section 9795 of the Government Code, on the progress of school districts, county offices of education, and charter schools in increasing salaries for classified staff assigned to a schoolsite or sites and certificated staff assigned to a schoolsite or sites. This report shall include the following:~~

~~(A) The change in salary rates for certificated staff as compared to the 2020-21 fiscal year or the 2023-24 fiscal year, whichever year the Form J-90 was filed for first.~~

~~(B) The change in salary rates for classified staff as compared to the 2023-24 fiscal year.~~

~~(C) The salary rate changes year over year.~~

~~(D) The rate of salary change compared to the rate of yearly inflation as measured by the percentage change in the annual average value of the Implicit Price Deflator for State and Local Government Purchases of Goods and Services for the United States, as published by the United States Department of Commerce for the 12-month period ending in the third quarter of the prior fiscal year.~~

*SEC. 3. Section 42238.016 is added to the Education Code, immediately following Section 42238.015, to read:*

*42238.016. (a) The department shall, by July 1, 2024, update the Salary and Benefits Schedule for the Certificated Bargaining Unit (Form J-90) to include salary data collection for classified school staff assigned to a schoolsite or sites, in the same manner as collected for certificated staff assigned to a schoolsite or sites, for the following classifications:*

*(1) Secretaries or administrative assistants.*

*(2) Custodians.*

*(3) Bus drivers.*

*(4) School food service workers.*

*(5) Instructional aides.*

*(b) The Salary and Benefits Schedule for the Certificated Bargaining Unit (Form J-90) updated pursuant to subdivision (a)*

1 shall be known as the Salary and Benefit Schedule for the  
2 Bargaining Units (Form J-90).

3 (c) (1) On or before September 1, 2024, and annually thereafter,  
4 school districts, county offices of education, and charter schools  
5 shall complete the Salary and Benefit Schedule for the Bargaining  
6 Units (Form J-90) for classified and certificated staff assigned to  
7 a schoolsite or sites and report the Form J-90 to the department.

8 (2) School districts, county offices of education, and charter  
9 schools may, for prior fiscal years not required pursuant to  
10 paragraph (1), complete the Form J-90 for classified and  
11 certificated staff assigned to a schoolsite or sites and report the  
12 Form J-90 to the department.

13 (d) On or before November 1, 2024, and annually thereafter,  
14 the department shall report to the Legislature, in compliance with  
15 Section 9795 of the Government Code, on the progress of school  
16 districts, county offices of education, and charter schools in  
17 increasing salaries for classified staff assigned to a schoolsite or  
18 sites and certificated staff assigned to a schoolsite or sites. This  
19 report shall include the following:

20 (1) The change in salary rates for certificated staff as compared  
21 to the 2020-21 fiscal year or the 2023-24 fiscal year, or for  
22 whichever year the Form J-90 was filed for first.

23 (2) The change in salary rates for classified staff as compared  
24 to the 2023-24 fiscal year, or for whichever year the Form J-90  
25 was filed for first.

26 (3) The salary rate changes year over year.

27 (4) The rate of salary change compared to the rate of yearly  
28 inflation as measured by the percentage change in the annual  
29 average value of the Implicit Price Deflator for State and Local  
30 Government Purchases of Goods and Services for the United  
31 States, as published by the United States Department of Commerce  
32 for the 12-month period ending in the third quarter of the prior  
33 fiscal year.

34 (5) The rate of total compensation changes year over year.

35 ~~SEC. 2.~~

36 SEC. 4. Section 42238.02 of the Education Code is amended  
37 to read:

38 42238.02. (a) The amount computed pursuant to this section  
39 shall be known as the school district and charter school local  
40 control funding formula.

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

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

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

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

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

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

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

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

37 (4) The Superintendent shall make the calculations pursuant to  
38 this section using the data submitted by local educational agencies,  
39 including charter schools, through the California Longitudinal  
40 Pupil Achievement Data System. Under timeframes and procedures

1 established by the Superintendent, school districts and charter  
2 schools may review and revise their submitted data on English  
3 learner, foster youth, and free or reduced-price meal eligible pupil  
4 counts to ensure the accuracy of data reflected in the California  
5 Longitudinal Pupil Achievement Data System.

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

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

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

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

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

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

34 (E) (i) Notwithstanding any other law, for purposes of  
35 subparagraph (C), the unduplicated pupils and total pupil  
36 enrollment in prior fiscal years shall be the following:

37 (I) For a transferred charter school, the counts shall be equal to  
38 the counts reported for the original charter school.

39 (II) For an acquiring charter school, the counts shall be equal  
40 to the counts reported for the original charter school. This subclause



1 shall become inoperative on July 1, 2025, unless its operation is  
2 extended by the Legislature.

3 (III) For the restructured portions of a divided charter school,  
4 the counts shall be zero.

5 (IV) For the remaining portion of a divided charter school, the  
6 counts shall be equal to the counts reported for the original charter  
7 school.

8 (ii) The definitions in Section 47654 apply for purposes of this  
9 subparagraph.

10 (6) Notwithstanding subdivision (a) of Section 14002, the data  
11 used to determine the percentage of unduplicated pupils shall be  
12 final once that data is no longer used in the current fiscal year  
13 calculation of the percentage of unduplicated pupils. This paragraph  
14 does not apply to a change that is the result of an audit exception,  
15 as described in paragraph (2) of subdivision (a) of Section 41341.

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

20 (d) The Superintendent shall compute a ~~grade-span-adjusted~~  
21 *span-adjusted* base grant equal to the total of the following  
22 amounts:

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

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

27 (ii) Six thousand nine hundred forty-seven dollars (\$6,947) for  
28 average daily attendance in grades 4 to 6, inclusive.

29 (iii) Seven thousand one hundred fifty-four dollars (\$7,154) for  
30 average daily attendance in grades 7 and 8.

31 (iv) Eight thousand two hundred eighty-nine dollars (\$8,289)  
32 for average daily attendance in grades 9 to 12, inclusive.

33 (B) (i) Notwithstanding subparagraph (A), commencing with  
34 the 2030–31 fiscal year, a base grant of:

35 (I) Thirteen thousand seven hundred forty-nine dollars (\$13,749)  
36 for average daily attendance in kindergarten and grades 1 to 3,  
37 inclusive.

38 (II) Thirteen thousand nine hundred fifty-six dollars (\$13,956)  
39 for average daily attendance in grades 4 to 6, inclusive.

(III) Fourteen thousand three hundred seventy dollars (\$14,370) for average daily attendance in grades 7 and 8.

(IV) Sixteen thousand six hundred fifty-three dollars (\$16,653) for average daily attendance in grades 9 to 12, inclusive.

(ii) It is the intent of the Legislature to fully fund the ~~LCFF~~ *local control funding formula* target base grants in those years preceding the 2030–31 fiscal year and to spend those funds in the manner described in ~~subparagraph (B)~~ of paragraph (2) of subdivision ~~(a)~~ (b) of Section 42238.015.

(2) In each year the ~~grade-span-adjusted~~ *span-adjusted* base grants in paragraph (1) shall be adjusted by the percentage change in the annual average value of the Implicit Price Deflator for State and Local Government Purchases of Goods and Services for the United States, as published by the United States Department of Commerce for the 12-month period ending in the third quarter of the prior fiscal year. This percentage change shall be determined using the latest data available as of May 10 of the preceding fiscal year compared with the annual average value of the same deflator for the 12-month period ending in the third quarter of the second preceding fiscal year, using the latest data available as of May 10 of the preceding fiscal year, as reported by the Department of Finance.

(3) (A) The Superintendent shall compute an additional adjustment to the kindergarten and grades 1 to 3, inclusive, base grant as adjusted pursuant to paragraphs (2) and (5) equal to 10.4 percent. The additional grant shall be calculated by multiplying the kindergarten and grades 1 to 3, inclusive, base grant, as adjusted by paragraphs (2) and (5), by 10.4 percent.

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

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

1 the average class enrollment for each schoolsite for kindergarten  
2 and grades 1 to 3, inclusive, in the 2012–13 fiscal year.

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

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

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

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

15 (C) School districts that have an average class enrollment for  
16 each schoolsite for kindergarten and grades 1 to 3, inclusive, of  
17 24 pupils or less for each schoolsite in the 2012–13 fiscal year,  
18 shall be exempt from the requirements of subparagraph (B) so long  
19 as the school district continues to maintain an average class  
20 enrollment for each schoolsite for kindergarten and grades 1 to 3,  
21 inclusive, of not more than 24 pupils, unless a collectively  
22 bargained alternative ratio is agreed to by the school district.

23 (D) (i) Upon full implementation of the local control funding  
24 formula, as a condition of the receipt of funds in this paragraph,  
25 all school districts shall maintain an average class enrollment for  
26 each schoolsite for kindergarten and grades 1 to 3, inclusive, of  
27 not more than 24 pupils for each schoolsite in kindergarten and  
28 grades 1 to 3, inclusive, unless a collectively bargained alternative  
29 ratio is agreed to by the school district.

30 (ii) Notwithstanding clause (i), for purposes of meeting the  
31 requirements of paragraph (1) of subdivision (g) of Section 48000,  
32 a school district shall maintain an average transitional kindergarten  
33 class enrollment of not more than 24 pupils for each schoolsite.

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

38 (F) The Controller shall include the instructions necessary to  
39 enforce this paragraph in the audit guide required by Section  
40 14502.1. The instructions shall include, but are not necessarily

1 limited to, procedures for determining if the average class  
2 enrollment for each schoolsite for kindergarten and grades 1 to 3,  
3 inclusive, exceeds 24 pupils, or an alternative average class  
4 enrollment for each schoolsite pursuant to a collectively bargained  
5 alternative ratio. The procedures for determining average class  
6 enrollment for each schoolsite shall include criteria for employing  
7 sampling.

8 (4) The Superintendent shall compute an additional adjustment  
9 to the base grant for grades 9 to 12, inclusive, as adjusted pursuant  
10 to paragraphs (2) and (5), equal to 2.6 percent. The additional grant  
11 shall be calculated by multiplying the base grant for grades 9 to  
12 12, inclusive, as adjusted by paragraphs (2) and (5) by 2.6 percent.

13 (5) For the 2022–23 fiscal year, the Superintendent shall increase  
14 the base grants for kindergarten and grades 1 to 12, inclusive, by  
15 6.7 percent. This adjustment shall be calculated by multiplying  
16 the grade span-adjusted base grants calculated pursuant to  
17 paragraph (2) for the 2021–22 fiscal year by 6.7 percent. The  
18 adjustment shall be included in grade span-adjusted base grants  
19 amounts for purposes of the adjustment pursuant to paragraph (2)  
20 commencing with the 2023–24 fiscal year.

21 (e) The Superintendent shall compute a supplemental grant  
22 add-on equal to 20 percent of the base grants as specified in  
23 paragraph (1) of subdivision (d), as adjusted by paragraphs (2) to  
24 (5), inclusive, of subdivision (d), for each school district's or  
25 charter school's percentage of unduplicated pupils calculated  
26 pursuant to paragraph (5) of subdivision (b). The supplemental  
27 grant shall be calculated by multiplying the base grants as specified  
28 in paragraph (1), as adjusted by paragraphs (2) to (5), inclusive,  
29 of subdivision (d), by 20 percent and by the percentage of  
30 unduplicated pupils calculated pursuant to paragraph (5) of  
31 subdivision (b) in that school district or charter school. The  
32 supplemental grant shall be expended in accordance with the  
33 regulations adopted pursuant to Section 42238.07.

34 (f) (1) (A) The Superintendent shall compute a concentration  
35 grant add-on equal to 50 percent of the base grants as specified in  
36 paragraph (1) of subdivision (d), as adjusted by paragraphs (2) to  
37 (5), inclusive, of subdivision (d), for each school district's or  
38 charter school's percentage of unduplicated pupils calculated  
39 pursuant to paragraph (5) of subdivision (b) in excess of 55 percent  
40 of the school district's or charter school's total enrollment. The

concentration grant shall be calculated by multiplying the base grants as specified in paragraph (1) of subdivision (d), as adjusted by paragraphs (2) to (5), inclusive, of subdivision (d), by 50 percent and by the percentage of unduplicated pupils calculated pursuant to paragraph (5) of subdivision (b) in excess of 55 percent of the total enrollment in that school district or charter school.

(B) Commencing with the 2021–22 fiscal year, the concentration grant add-on referenced in subparagraph (A) shall instead be equal to 65 percent of the base grants as specified in paragraph (1) of subdivision (d), as adjusted by paragraphs (2) to (5), inclusive, of subdivision (d), for each school district’s or charter school’s percentage of unduplicated pupils calculated pursuant to paragraph (5) of subdivision (b) in excess of 55 percent of the school district’s or charter school’s total enrollment. The concentration grant shall be calculated by multiplying the base grants as specified in paragraph (1) of subdivision (d), as adjusted by paragraphs (2) to (5), inclusive, of subdivision (d), by 65 percent and by the percentage of unduplicated pupils calculated pursuant to paragraph (5) of subdivision (b) in excess of 55 percent of the total enrollment in that school district or charter school.

(2) (A) For a charter school physically located in only one school district, the percentage of unduplicated pupils calculated pursuant to paragraph (5) of subdivision (b) in excess of 55 percent used to calculate concentration grants shall not exceed the percentage of unduplicated pupils calculated pursuant to paragraph (5) of subdivision (b) in excess of 55 percent of the school district in which the charter school is physically located. For a charter school physically located in more than one school district, the charter school’s percentage of unduplicated pupils calculated pursuant to paragraph (5) of subdivision (b) in excess of 55 percent used to calculate concentration grants shall not exceed that of the school district with the highest percentage of unduplicated pupils calculated pursuant to paragraph (5) of subdivision (b) in excess of 55 percent of the school districts in which the charter school has a school facility. The concentration grant shall be expended in accordance with the regulations adopted pursuant to Section 42238.07.

(B) For purposes of this paragraph and subparagraph (A) of paragraph (1) of subdivision (f) of Section 42238.03, a charter school shall report its physical location to the department under

1 timeframes established by the department. For a charter school  
2 authorized by a school district, the department shall include the  
3 authorizing school district in the department's determination of  
4 physical location. For a charter school authorized on appeal  
5 pursuant to subdivision (k) of Section 47605, the department shall  
6 include the school district that initially denied the petition in the  
7 department's determination of physical location. Notwithstanding  
8 subdivision (a) of Section 14002, the reported physical location  
9 of the charter school shall be considered final as of the second  
10 principal apportionment for that fiscal year, and, for purposes of  
11 this 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) (1) 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 (2) Notwithstanding Section 42238.05, commencing with the  
29 2022–23 fiscal year, the Superintendent shall compute an add-on  
30 to the total sum of a school district's or charter school's base,  
31 supplemental, and concentration grants equal to two thousand eight  
32 hundred thirteen dollars (\$2,813) multiplied by the then current  
33 fiscal year's second principal apportionment period average daily  
34 attendance in transitional kindergarten. Commencing with the  
35 2023–24 fiscal year, the add-on computed pursuant to this  
36 paragraph shall be adjusted by the percentage change applied  
37 pursuant to paragraph (2) of subdivision (d). It is the intent of the  
38 Legislature that the costs to meet the requirements of paragraph  
39 (2) of subdivision (g) of Section 48000 be supported by the add-on  
40 computed pursuant to this paragraph.

(h) (1) The Superintendent shall compute an add-on to the total sum of a school district's or charter school's base, supplemental, and concentration grants equal to the amount of funding a school district or charter school received from funds allocated pursuant to the Home-to-School Transportation program, as set forth in former Article 2 (commencing with Section 39820) of Chapter 1 of Part 23.5, former Article 10 (commencing with Section 41850) of Chapter 5, and the Small School District Transportation program, as set forth in former Article 4.5 (commencing with Section 42290), as those articles read on January 1, 2013, for the 2012–13 fiscal year. A school district or charter school shall not receive a total funding amount from this add-on greater than the total amount received by the school district or charter school for those programs in the 2012–13 fiscal year. The amount computed pursuant to this subdivision shall reflect the reduction specified in paragraph (2) of subdivision (a) of Section 42238.03.

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

(3) Commencing in the 2023–24 fiscal year, the add-on amounts referenced in paragraphs (1) and (2) shall receive the annual cost-of-living adjustment specified in paragraph (2) of subdivision (d).

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

4 (A) For school districts, the average daily attendance of the  
5 school district in the corresponding grade level ranges computed  
6 pursuant to Section 42238.05, excluding the average daily  
7 attendance computed pursuant to paragraph (2) of subdivision (a)  
8 of Section 42238.05 for purposes of the computation specified in  
9 subdivision (d).

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

12 (2) The amount computed pursuant to Article 4 (commencing  
13 with Section 42280) shall be added to the amount computed  
14 pursuant to paragraphs (1) to (4), inclusive, of subdivision (d), as  
15 multiplied by subparagraph (A) or (B) of paragraph (1), as  
16 appropriate.

17 (j) The Superintendent shall adjust the sum of each school  
18 district's or charter school's amount determined in subdivisions  
19 (g) to (i), inclusive, pursuant to the calculation specified in Section  
20 42238.03, less the sum of the following:

21 (1) (A) For school districts, the property tax revenue received  
22 pursuant to Chapter 3.5 (commencing with Section 75) and Chapter  
23 6 (commencing with Section 95) of Part 0.5 of Division 1 of the  
24 Revenue and Taxation Code.

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

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

30 (3) The amount, if any, received pursuant to Chapter 3  
31 (commencing with Section 16140) of Part 1 of Division 4 of Title  
32 2 of the Government Code.

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

34 (5) Fifty percent of the amount received pursuant to Section  
35 41603.

36 (6) The amount, if any, received pursuant to the Community  
37 Redevelopment Law (Part 1 (commencing with Section 33000)  
38 of Division 24 of the Health and Safety Code), less any amount  
39 received pursuant to Section 33401 or 33676 of the Health and  
40 Safety Code that is used for land acquisition, facility construction,



reconstruction, or remodeling, or deferred maintenance and that is not an amount received pursuant to Section 33492.15, or paragraph (4) of subdivision (a) of Section 33607.5, or Section 33607.7 of the Health and Safety Code that is allocated exclusively for educational facilities.

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

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

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

(l) (1) This section does not authorize a school district that receives funding on behalf of a charter school pursuant to Section 47651 to redirect this funding for another purpose unless otherwise authorized in law pursuant to paragraph (2) or pursuant to an agreement between the charter school and its chartering authority.

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

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

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

(iii) Subtract the amount computed pursuant to paragraphs (1) to (3), inclusive, of subdivision (a) of Section 42238.03 from the

1 amount computed for that charter school under the local control  
2 funding formula entitlement computed pursuant to subdivision (i)  
3 of this section.

4 (iv) Compute a percentage by dividing the sum of the amounts  
5 computed pursuant to clauses (i) and (ii) by the amount computed  
6 pursuant to clause (iii).

7 (B) Multiply the percentage computed pursuant to subparagraph  
8 (A) by the amount of funding the school district received on behalf  
9 of the charter school in the 2012–13 fiscal year pursuant to  
10 paragraph (2) of subdivision (b) of Section 42605, Section 42606,  
11 and subdivision (b) of Section 47634.1, as those sections read on  
12 January 1, 2013.

13 (C) The maximum amount that may be redirected shall be the  
14 lesser of the amount of funding the school district received on  
15 behalf of the charter school in the 2012–13 fiscal year pursuant to  
16 paragraph (2) of subdivision (b) of Section 42605, Section 42606,  
17 and subdivision (b) of Section 47634.1, as those sections read on  
18 January 1, 2013, or the amount computed pursuant to subparagraph  
19 (B).

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

25 (m) Any calculations in law that are used for purposes of  
26 determining if a local educational agency is an excess tax school  
27 entity or basic aid school district, including, but not limited to, this  
28 section and Sections 41544, 42238.03, 47632, 47660, 47663,  
29 48310, and 48359.5, and Section 95 of the Revenue and Taxation  
30 Code, shall exclude the revenue received pursuant to subparagraph  
31 (B) of paragraph (3) of subdivision (e) of Section 36 of Article  
32 XIII of the California Constitution.

33 (n) The funds apportioned pursuant to this section and Section  
34 42238.03 shall be available to implement the activities required  
35 pursuant to Article 4.5 (commencing with Section 52059.5) of  
36 Chapter 6.1 of Part 28 of Division 4.

37 (o) A school district that does not receive an apportionment of  
38 state funds pursuant to this section, as implemented pursuant to  
39 Section 42238.03, excluding funds apportioned pursuant to the  
40 requirements of subparagraph (A) of paragraph (2) of subdivision

(e) of Section 42238.03, shall be considered a “basic aid school district” or an “excess tax entity.”

*SEC. 5. Section 42282 of the Education Code is amended to read:*

~~42282. Commencing with (a) For the 2022–23 fiscal year, to 2029–30 fiscal years, inclusive, for each school district, on account of each necessary small school, as defined in Section 42283, the Superintendent shall make the following—computations: computations, as adjusted each fiscal year pursuant to Section 42287:~~

~~(a)~~

(1) For each necessary small school that has an average daily attendance during the fiscal year of less than 25, excluding pupils attending the 7th and 8th grades of a junior high school, and for which school at least one teacher was hired full time, the Superintendent shall compute for the school district two hundred thirty-two thousand seven hundred dollars (\$232,700).

~~(b)~~

(2) For each necessary small school that has an average daily attendance during the fiscal year of 25 or more and less than 49, excluding pupils attending the 7th and 8th grades of a junior high school, and for which school at least two teachers were hired full time for more than one-half of the days schools were maintained, the Superintendent shall compute for the school district four hundred sixty thousand five hundred dollars (\$460,500).

~~(c)~~

(3) For each necessary small school that has an average daily attendance during the fiscal year of 49 or more, but less than 73, excluding pupils attending the 7th and 8th grades of a junior high school, and for which school three teachers were hired full time for more than one-half of the days schools were maintained, the Superintendent shall compute for the school district six hundred eighty-eight thousand five hundred dollars (\$688,500).

~~(d)~~

(4) For each necessary small school that has an average daily attendance during the fiscal year of 73 or more and less than 97, excluding pupils attending the 7th and 8th grades of a junior high school, and for which school four teachers were hired full time for more than one-half of the days schools were maintained, the

1 Superintendent shall compute for the school district nine hundred  
2 sixteen thousand three hundred dollars (\$916,300).

3 *(b) Commencing with the 2030–31 fiscal year, for each school*  
4 *district, on account of each necessary small school, as defined in*  
5 *Section 42283, the Superintendent shall make the following*  
6 *computations, as adjusted each fiscal year pursuant to Section*  
7 *42287:*

8 *(1) For each necessary small school that has an average daily*  
9 *attendance during the fiscal year of less than 25, excluding pupils*  
10 *attending the 7th and 8th grades of a junior high school, and for*  
11 *which school at least one teacher was hired full time, the*  
12 *Superintendent shall compute for the school district three hundred*  
13 *seventy-one thousand nine hundred forty-eight dollars (\$371,948).*

14 *(2) For each necessary small school that has an average daily*  
15 *attendance during the fiscal year of 25 or more and less than 49,*  
16 *excluding pupils attending the 7th and 8th grades of a junior high*  
17 *school, and for which school at least two teachers were hired full*  
18 *time for more than one-half of the days schools were maintained,*  
19 *the Superintendent shall compute for the school district seven*  
20 *hundred thirty-six thousand sixty-four dollars (\$736,064).*

21 *(3) For each necessary small school that has an average daily*  
22 *attendance during the fiscal year of 49 or more, but less than 73,*  
23 *excluding pupils attending the 7th and 8th grades of a junior high*  
24 *school, and for which school three teachers were hired full time*  
25 *for more than one-half of the days schools were maintained, the*  
26 *Superintendent shall compute for the school district one million*  
27 *one hundred thousand four hundred ninety-nine dollars*  
28 *(\$1,100,499).*

29 *(4) For each necessary small school that has an average daily*  
30 *attendance during the fiscal year of 73 or more and less than 97,*  
31 *excluding pupils attending the 7th and 8th grades of a junior high*  
32 *school, and for which school four teachers were hired full time*  
33 *for more than one-half of the days schools were maintained, the*  
34 *Superintendent shall compute for the school district one million*  
35 *four hundred sixty-four thousand six hundred fourteen dollars*  
36 *(\$1,464,614).*

37 *(c) It is the intent of the Legislature to fully fund the necessary*  
38 *small school targets in those years preceding the 2030–31 fiscal*  
39 *year and to spend those funds in the manner described in*  
40 *paragraph (2) of subdivision (b) of Section 42238.015.*

SEC. 6. Section 42284 of the Education Code is amended to read:

42284. (a) ~~Commencing with~~ For the 2022–23 fiscal year, to 2029–30 fiscal years, inclusive, for each school district with fewer than 2,501 units of average daily attendance, on account of each necessary small high school, the Superintendent shall make one of the following computations selected with regard only to the number of certificated employees employed or average daily attendance, whichever provides the lesser amount: amount, as adjusted each fiscal year pursuant to Section 42287:

| Average daily attendance | Minimum number of certificated employees | Amount to be computed per teacher |
|--------------------------|------------------------------------------|-----------------------------------|
| 1–19 .....               | 1                                        | \$196,100                         |
| 1–19 .....               | 2                                        | \$279,590                         |
| 1–19 .....               | 3                                        | \$621,060                         |
| 20–38 .....              | 4                                        | \$760,855                         |
| 39–57 .....              | 5                                        | \$900,650                         |
| 58–71 .....              | 6                                        | \$1,040,445                       |
| 72–86 .....              | 7                                        | \$1,180,240                       |
| 87–100 .....             | 8                                        | \$1,320,035                       |
| 101–114 .....            | 9                                        | \$1,459,830                       |
| 115–129 .....            | 10                                       | \$1,599,625                       |
| 130–143 .....            | 11                                       | \$1,739,420                       |
| 144–171 .....            | 12                                       | \$1,879,215                       |
| 172–210 .....            | 13                                       | \$2,250,095                       |
| 211–248 .....            | 14                                       | \$2,656,345                       |
| 249–286 .....            | 15                                       | \$3,062,600                       |

(b) Commencing with the 2030–31 fiscal year and for each school district with fewer than 2,501 units of average daily attendance, on account of each necessary small high school, the Superintendent shall make one of the following computations selected with regard only to the number of certificated employees employed or average daily attendance, whichever provides the lesser amount, as adjusted each fiscal year pursuant to Section 42287:

|    | <i>Average daily attendance</i> | <i>Minimum number of certificated employees</i> | <i>Amount to be computed per teacher</i> |
|----|---------------------------------|-------------------------------------------------|------------------------------------------|
| 1  |                                 |                                                 |                                          |
| 2  |                                 |                                                 |                                          |
| 3  |                                 |                                                 |                                          |
| 4  |                                 |                                                 |                                          |
| 5  | 1–19 .....                      | 1                                               | \$313,446                                |
| 6  | 1–19 .....                      | 2                                               | \$446,897                                |
| 7  | 1–19 .....                      | 3                                               | \$992,703                                |
| 8  | 20–38 .....                     | 4                                               | \$1,216,151                              |
| 9  | 39–57 .....                     | 5                                               | \$1,439,600                              |
| 10 | 58–71 .....                     | 6                                               | \$1,663,047                              |
| 11 | 72–86 .....                     | 7                                               | \$1,886,496                              |
| 12 | 87–100 .....                    | 8                                               | \$2,109,944                              |
| 13 | 101–114 .....                   | 9                                               | \$2,333,393                              |
| 14 | 115–129 .....                   | 10                                              | \$2,556,840                              |
| 15 | 130–143 .....                   | 11                                              | \$2,780,289                              |
| 16 | 144–171 .....                   | 12                                              | \$3,003,738                              |
| 17 | 172–210 .....                   | 13                                              | \$3,596,552                              |
| 18 | 211–248 .....                   | 14                                              | \$4,245,902                              |
| 19 | 249–286 .....                   | 15                                              | \$4,895,261                              |

(b)

(c) For purposes of this section, a “certificated employee” means an equivalent full-time position of an individual holding a credential authorizing service and providing service in any of grades 9 to 12, inclusive, in any secondary school. Any fraction of an equivalent full-time position remaining after all equivalent full-time positions for certificated employees within the school district have been calculated shall be deemed to be a full-time position.

(d) *It is the intent of the Legislature to fully fund the necessary small school targets in those years preceding the 2030–31 fiscal year and to spend those funds in the manner described in paragraph (2) of subdivision (b) of Section 42238.015.*

~~SEC. 3.~~

SEC. 7. If the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made

- 1 pursuant to Part 7 (commencing with Section 17500) of Division
- 2 4 of Title 2 of the Government Code.

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