

Amended in Assembly May 3, 2017
Amended in Assembly March 30, 2017
California Legislature—2017–18 Regular Session

ASSEMBLY BILL

No. 1321

Introduced by Assembly Member Weber

February 17, 2017

An act to add Section 33130 to the Education Code, relating to education finance.

Legislative Counsel's Digest

AB 1321, as amended, Weber. Education finance: fiscal transparency.

(1) Existing law establishes a system of elementary and secondary education in this state. Under this system, public and private schools provide instruction to pupils in kindergarten and grades 1 to 12, inclusive.

This bill would require the Superintendent of Public Instruction, the Controller, and the Director of Finance to take actions to ensure, for purposes of transparency, that the reporting of per-pupil expenditures of federal, state, and local funds, includes actual personnel expenditures and actual nonpersonnel expenditures of federal, state, and local funds, disaggregated by source of funds, *as specified*, for each local educational agency and school in the state, as required by a specified provision of the federal Every Student Succeeds Act.

The bill would require the Superintendent, in compliance with federal requirements, to ensure that each local educational agency collects appropriate data, and includes specified ~~information~~ *information*, in the local educational agency's annual report. The bill would also require the Superintendent, the Controller, and the Director of Finance to *establish guidelines for the reporting of personnel and nonpersonnel expenditures, as specified, and to establish the methodology for disaggregating local control funding formula funds. The bill would also require the Superintendent, the Controller, and the Director of Finance to consider, no later than March 1, 2018, the provisions of the bill in developing and adopting new standards and criteria for local budgets and expenditures pursuant to a specified statute.*

The bill would require local educational agencies to adhere to the standards and criteria adopted pursuant to the bill commencing with the 2018–19 fiscal year. To the extent that this bill would impose new duties on local educational agencies, it would constitute a state-mandated local program.

(2) 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:

SECTION 1. Section 33130 is added to the Education Code,

to read:

33130. (a) For purposes of transparency and local, state, and federal reporting, the Superintendent, the Controller, and the Director of Finance shall accomplish all of the following:

(1) Ensure that the state report card required by Section 1111(h)(1) of the federal Every Student Succeeds Act (Public Law 114-95) includes the per-pupil expenditures of federal, state, and local funds, including actual personnel expenditures and actual nonpersonnel expenditures of federal, state, and local funds, for each local educational agency and each school in the state for the preceding fiscal year. *To comply with federal requirements that the state report card be concise, the Superintendent, the Controller,*

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and the Director of Finance shall establish guidelines for the 14
reporting of personnel and nonpersonnel expenditures that 15
minimize, to the extent allowed by federal law, the recordkeeping 16

*burden on local educational agencies and that result in a report
card that can be quickly and easily understood by the public and
enables transparent disclosure of the expenditure of local control
funding formula funds.*

~~(2) Enable the disaggregation of state and local funds by the
source of the funds, including, but not necessarily limited to, local
control funding formula base grants and supplemental and
concentration grants and other state and local funds for each local
educational agency and each school for purposes of state and local
reporting. The Superintendent, the Controller, and the Director of
Finance shall establish the methodology for disaggregating local
control funding formula funds.~~

(3) Ensure that the per-pupil expenditures reported include
expenditures for free public education, including (A) expenditures
for administration, instruction, attendance and health services,
pupil transportation services, plant operation and maintenance,
fixed charges, and net expenditures to cover deficits for food
services and student body activities; but do not include (B)
expenditures for community services, capital outlay, and debt
service, or any expenditures made from funds received under Title

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I of the federal Elementary and Secondary Education Act (Public
Law 89-10, as amended).

(b) The Superintendent, in compliance with federal requirements, shall ensure that each local educational agency collects appropriate data, and includes in the local educational agency's annual ~~report~~ *report*, the information described in paragraphs (1) ~~and (2)~~ of subdivision (a) as applied to the local educational agency and each school within the jurisdiction of the local educational agency.

(c) The provisions of this section shall be considered, no later than March 1, 2018, by the Superintendent, the Controller, and the Director of Finance when developing and adopting new standards and criteria pursuant to Section 33127. Notwithstanding any other law, to enable fiscal reporting, local educational agencies shall adhere to the standards and criteria adopted pursuant to this section commencing with the 2018–19 fiscal year.

SEC. 2. 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

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

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