

AMENDED IN SENATE JUNE 23, 2025

AMENDED IN ASSEMBLY MARCH 24, 2025

CALIFORNIA LEGISLATURE—2025–26 REGULAR SESSION

## ASSEMBLY BILL

**No. 477**

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**Introduced by Assembly Member Muratsuchi  
(Coauthor: Assembly Member Addis)**

February 10, 2025

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An act to amend Sections 2574, 42238.02, 42282, and 42284 of, and to add Section 42238.017 to, the Education Code, relating to education finance.

### LEGISLATIVE COUNSEL'S DIGEST

AB 477, as amended, Muratsuchi. ~~Local-Fair Pay for Educators Act:~~ *local control funding formula: base grants: funding targets.*

(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 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 2036–37 fiscal year, would increase each of those inflation-adjusted amounts to instead be \$1,308,227, \$520,751, \$164, \$144, \$124, and \$104, respectively, and would retain the requirement to adjust those amounts for inflation each fiscal year. The bill, commencing with the 2036–37 fiscal year, would increase the per-school district and per-unit add-on amounts to instead be \$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 grade span-adjusted base grant for average daily attendance in grades 9 to 12, inclusive, for the 2022–23 fiscal year, multiplied by 1.33, as specified. Existing law requires that amount to be adjusted for inflation each fiscal year.

This bill, commencing with the 2036–37 fiscal year, would require the inflation-adjusted base grant component of the alternative education grant to instead be \$24,593 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 based on the 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 2036–37 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 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, of ~~\$6,485~~, \$6,845, \$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, commencing with the 2036–37 fiscal year, would increase those inflation-adjusted base grant amounts to instead be \$14,879,

\$15,104, \$15,551 and \$18,023 per pupil, respectively, and would retain the requirement to adjust those amounts for inflation each fiscal year.

(5) Existing law requires funding pursuant to the local control funding formula to include, in addition to the base grant, supplemental and concentration grant add-ons that are based on the percentage of unduplicated pupils, as specified, served by the school district or charter school. In addition to the base, supplemental, and concentration grants of the local control funding formula, existing law, commencing with the 2022–23 school year, requires the Superintendent to compute an additional add-on of \$2,813 multiplied by the then current fiscal year’s average daily attendance in transitional kindergarten, as specified, and requires that add-on to be annually adjusted for inflation.

This bill, commencing with the 2036–37 fiscal year, would increase that inflation-adjusted add-on based on attendance in transitional kindergarten to instead be equal to ~~\$4,220~~ \$8,318 multiplied by the then current fiscal year’s average daily attendance in transitional kindergarten for the school district or charter school, as specified, and would retain the requirement to adjust that amount for inflation each fiscal year.

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. This act shall be known, and may be cited, as the  
2     Fair Pay for Educators Act.

3     ~~SECTION 1.~~

4     SEC. 2. Section 2574 of the Education Code is amended to  
5     read:

6     2574. For the 2013–14 fiscal year and for each fiscal year  
7     thereafter, the Superintendent annually shall calculate a county  
8     local control funding formula for each county superintendent of  
9     schools as follows:

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

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

14    (B) Notwithstanding subparagraph (A), commencing with the  
15    2036–37 fiscal year and for each fiscal year thereafter, one million  
16    three hundred eight thousand two hundred twenty-seven dollars

1 (\$1,308,227), as adjusted each fiscal year pursuant to paragraph  
2 (4).

3 (2) (A) One hundred nine thousand three hundred twenty dollars  
4 (\$109,320) multiplied by the number of school districts for which  
5 the county superintendent of schools has jurisdiction pursuant to  
6 Section 1253.

7 (B) Notwithstanding subparagraph (A), commencing with the  
8 2036–37 fiscal year and for each fiscal year thereafter, five hundred  
9 twenty thousand seven hundred fifty-one dollars (\$520,751)  
10 multiplied by the number of school districts for which the county  
11 superintendent of schools has jurisdiction pursuant to Section 1253,  
12 as adjusted each fiscal year pursuant to paragraph (4).

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

16 (ii) Notwithstanding clause (i), commencing with the 2036–37  
17 fiscal year and for each fiscal year thereafter, one hundred  
18 sixty-four dollars (\$164) multiplied by the number of units of  
19 countywide average daily attendance, up to a maximum of 30,000  
20 units, as adjusted each fiscal year pursuant to paragraph (4).

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

25 (ii) Notwithstanding clause (i), commencing with the 2036–37  
26 fiscal year and for each fiscal year thereafter, one hundred  
27 forty-four dollars (\$144) multiplied by the number of units of  
28 countywide average daily attendance for the portion of countywide  
29 average daily attendance, if any, above 30,000 units, up to a  
30 maximum of 60,000 units, as adjusted each fiscal year pursuant  
31 to paragraph (4).

32 (C) (i) Fifty dollars (\$50) multiplied by the number of units of  
33 countywide average daily attendance for the portion of countywide  
34 average daily attendance, if any, above 60,000 units, up to a  
35 maximum of 140,000 units.

36 (ii) Notwithstanding clause (i), commencing with the 2036–37  
37 fiscal year and for each fiscal year thereafter, one hundred  
38 twenty-four dollars (\$124) multiplied by the number of units of  
39 countywide average daily attendance for the portion of countywide  
40 average daily attendance, if any, above 60,000 units, up to a

maximum of 140,000 units, as adjusted each 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 2036–37 fiscal year and for each fiscal year thereafter, one hundred four dollars (\$104) 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 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) (A) For the 2022–23 fiscal year to the 2035–36 fiscal year, inclusive, add one hundred seventy-five thousand dollars (\$175,000) to the amount specified in paragraph (2), as that rate was adjusted pursuant to paragraph (4).

(B) Commencing with the 2036–37 fiscal year and for each fiscal year thereafter, add two hundred sixty-two thousand five hundred dollars (\$262,500) to the amount specified in paragraph (2), as that rate was adjusted pursuant to paragraph (4).

(6) (A) For the 2022–23 fiscal year to the 2035–36 fiscal year, inclusive, add fourteen dollars (\$14) to each of the amounts specified in subparagraphs (A) to (D), inclusive, of paragraph (3), as those rates were adjusted pursuant to paragraph (4).

(B) Commencing with the 2036–37 fiscal year and for each fiscal year thereafter, add twenty-one dollars (\$21) to each of the amounts specified in subparagraphs (A) to (D), inclusive, of paragraph (3), as those rates were adjusted pursuant to paragraph (4).

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

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

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

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

(D) (i) For purposes of the quotients determined pursuant to subparagraphs (B) and (C), the Superintendent shall use a county superintendent of schools' enrollment of unduplicated pupils and total pupil enrollment in the 2014–15 fiscal year instead of the enrollment of unduplicated pupils and total pupil enrollment in the 2013–14 fiscal year if doing so would yield an overall greater 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 Superintendent using the California Longitudinal Pupil Achievement Data System.

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

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

7 (c) Compute an alternative education grant equal to the sum of  
8 the following:

9 (1) (A) (i) For the 2013–14 fiscal year to the 2022–23 fiscal  
10 year, inclusive, a base grant equal to the 2012–13 per pupil  
11 undeficitated statewide average juvenile court school base revenue  
12 limit calculated pursuant to Article 3 (commencing with Section  
13 2550) of Chapter 12, as that article read on January 1, 2013, and  
14 as adjusted each fiscal year pursuant to subparagraph (B). For  
15 purposes of this subparagraph, the 2012–13 statewide average  
16 juvenile court school base revenue limit shall be considered final  
17 as of the annual apportionment for the 2012–13 fiscal year, as  
18 calculated for purposes of the certification required on or before  
19 February 20, 2014, pursuant to Sections 41332 and 41339.

20 (ii) For the 2023–24 fiscal year, a base grant equal to the grade  
21 span-adjusted base grant for average daily attendance in grades 9  
22 to 12, inclusive, calculated pursuant to subdivision (d) of Section  
23 42238.02, for the 2022–23 fiscal year, multiplied by 1.33, and then  
24 adjusted pursuant to subparagraph (B) for the 2023–24 fiscal year.

25 (iii) For the 2024–25 fiscal year to the 2035–36 fiscal year,  
26 inclusive, a base grant equal to the amount calculated pursuant to  
27 clause (ii) and as adjusted each year pursuant to subparagraph (B).

28 (iv) Commencing with the 2036–37 fiscal year and for each  
29 fiscal year thereafter, a base grant equal to twenty-four thousand  
30 five hundred ninety-three dollars (\$24,593), as adjusted each fiscal  
31 year pursuant to subparagraph (B).

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



1 period ending in the third quarter of the second preceding fiscal  
2 year, using the latest data available as of May 10 of the preceding  
3 fiscal year, as reported by the Department of Finance.

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

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

12 (i) The enrollment percentage calculated in subdivision (b) less  
13 50 percent.

14 (ii) Zero.

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

17 (4) (A) Multiply the sum of paragraphs (1), (2), and (3) by the  
18 total number of units of average daily attendance for pupils  
19 attending schools operated by a county office of education,  
20 excluding units of average daily attendance for pupils attending  
21 schools or classes established pursuant to Article 2.5 (commencing  
22 with Section 48645) of Chapter 4 of Part 27 of Division 4 of Title  
23 2, who are enrolled pursuant to any of the following:

24 (i) Probation-referred pursuant to Sections 300, 601, 602, and  
25 654 of the Welfare and Institutions Code.

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

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

29 (B) Multiply the number of units of average daily attendance  
30 for pupils attending schools or classes established pursuant to  
31 Article 2.5 (commencing with Section 48645) of Chapter 4 of Part  
32 27 of Division 4 of Title 2 by the sum of the base grant calculated  
33 pursuant to paragraph (1), a supplemental grant equal to 35 percent  
34 of the base grant calculated pursuant to paragraph (1), and a  
35 concentration grant equal to 17.5 percent of the base grant  
36 calculated pursuant to paragraph (1). Funds provided for the  
37 supplemental and concentration grants pursuant to this calculation  
38 shall be expended in accordance with the regulations adopted  
39 pursuant to Section 42238.07.

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

(5) Notwithstanding any other law, commencing with the 2023–24 fiscal year, and for purposes of this subdivision, average daily attendance shall be the sum of both of the following:

(A) The average daily attendance reported by the county superintendent of schools for the annual reporting period for the current fiscal year, or the prior fiscal year if the prior year total is greater, or the average of the three most recent prior fiscal years if the average total is greater than both the current year and the prior year.

(B) If applicable, the average daily attendance reported by a charter school in the county established pursuant to Section 47605.5 for the annual reporting period for the current fiscal year.

(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

1 identify the member local educational agencies and transfer  
2 entitlement to that funding to any of those member local  
3 educational agencies by reporting to the Superintendent, on or  
4 before September 30, 2015, the reassignment of a specified amount  
5 of the joint powers agency's 2012–13 fiscal year entitlement to  
6 the member local educational agency. Commencing with the  
7 2015–16 fiscal year, the Superintendent shall add the reassigned  
8 amounts to the amounts calculated pursuant to this paragraph.

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

13 (3) Commencing with the 2023–24 fiscal year, two hundred  
14 thousand dollars (\$200,000) for each county office of education  
15 operating at least one juvenile court school pursuant to Article 2.5  
16 (commencing with Section 48645) of Chapter 4 of Part 27 of  
17 Division 4 of Title 2, including a county office of education that  
18 authorized a charter school for that purpose pursuant to Section  
19 47605.5.

20 (4) Commencing with the 2023–24 fiscal year, two hundred  
21 thousand dollars (\$200,000) for each county office of education  
22 operating at least one county community school pursuant to  
23 Chapter 6.5 (commencing with Section 1980), including a county  
24 office of education that authorized a charter school for that purpose  
25 pursuant to Section 47605.5.

26 (f) (1) It is the intent of the Legislature that the funds allocated  
27 pursuant to paragraphs (3) and (4) of subdivision (e) be included  
28 in the local control and accountability plan template pursuant to  
29 Section 52064.

30 (2) It is the intent of the Legislature to fully fund the county  
31 office of education local control funding formula target county  
32 operations grants and alternative education base grants in those  
33 years preceding the 2036–37 fiscal year and to spend those funds  
34 in the manner described in subdivision (b) of Section 42238.017.

35 ~~SEC. 2.~~

36 *SEC. 3.* Section 42238.017 is added to the Education Code,  
37 immediately following Section 42238.016, to read:

38 42238.017. (a) It is the intent of the Legislature to establish  
39 new local control funding formula (LCFF) target grade  
40 span-adjusted base grant funding levels for school districts, charter

1 schools, and county offices of education to raise wages by 50  
2 percent, in recognition that the LCFF funding targets established  
3 in Assembly Bill 97 of the 2013–14 Regular Session (Chapter 47  
4 of the Statutes of 2013) that were met in the 2018–19 fiscal year  
5 did not provide the funding necessary to close the pay gap for  
6 educators and schoolsite staff. These aspirational funding levels  
7 will continue to support local educational agencies’ efforts to  
8 improve recruitment and retention of schoolsite staff and improve  
9 educational opportunities for pupils.

10 (b) It is the intent of the Legislature to fully fund the LCFF  
11 target base grants over 10 years, with full implementation in the  
12 2036–37 fiscal year. It is further the intent of the Legislature to  
13 use the funds in order to increase salaries for classified and  
14 certificated staff working at schoolsites in school districts, county  
15 offices of education, and charter schools to close the wage gap and  
16 improve recruitment and retention of school site ~~staff~~. *staff, subject*  
17 *to local bargaining*. This legislative intent does not apply to basic  
18 aid school districts.

19 (c) It is the intent of the Legislature that sufficient funding be  
20 appropriated for the state special schools for the deaf and the blind  
21 to enable comparable wage increases as school districts, county  
22 offices of education, and charter schools.

23 ~~SEC. 3.~~

24 *SEC. 4.* Section 42238.02 of the Education Code is amended  
25 to read:

26 42238.02. (a) The amount computed pursuant to this section  
27 shall be known as the school district and charter school local  
28 control funding formula.

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

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

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

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

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

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

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

18 (B) The Controller shall include the instructions necessary to  
19 enforce paragraph (2) in the audit guide required by Section  
20 14502.1. The instructions shall include, but are not necessarily  
21 limited to, procedures for determining if the English learner, foster  
22 youth, and free or reduced-price meal eligible pupil counts are  
23 consistent with the school district's or charter school's English  
24 learner, foster youth, and free or reduced-price meal eligible pupil  
25 records.

26 (4) The Superintendent shall make the calculations pursuant to  
27 this section using the data submitted by local educational agencies,  
28 including charter schools, through the California Longitudinal  
29 Pupil Achievement Data System. Under timeframes and procedures  
30 established by the Superintendent, school districts and charter  
31 schools may review and revise their submitted data on English  
32 learner, foster youth, and free or reduced-price meal eligible pupil  
33 counts to ensure the accuracy of data reflected in the California  
34 Longitudinal Pupil Achievement Data System.

35 (5) The Superintendent shall annually compute the percentage  
36 of unduplicated pupils for each school district and charter school  
37 by dividing the enrollment of unduplicated pupils in a school  
38 district or charter school by the total enrollment in that school  
39 district or charter school pursuant to all of the following:

1 (A) For the 2013–14 fiscal year, divide the sum of unduplicated  
2 pupils for the 2013–14 fiscal year by the sum of the total pupil  
3 enrollment for the 2013–14 fiscal year.

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

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

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

18 (ii) It is the intent of the Legislature to review each school  
19 district and charter school's enrollment of unduplicated pupils for  
20 the 2013–14 and 2014–15 fiscal years and provide one-time  
21 funding, if necessary, for a school district or charter school with  
22 higher enrollment of unduplicated pupils in the 2014–15 fiscal  
23 year as compared to the 2013–14 fiscal year.

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

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

29 (II) For an acquiring charter school, the counts shall be equal  
30 to the counts reported for the original charter school. This subclause  
31 shall become inoperative on July 1, 2026, unless its operation is  
32 extended by the Legislature.

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

35 (IV) For the remaining portion of a divided charter school, the  
36 counts shall be equal to the counts reported for the original charter  
37 school.

38 (ii) The definitions in Section 47654 apply for the purposes of  
39 this subparagraph.

(6) Notwithstanding subdivision (a) of Section 14002, 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 paragraph does not apply to a change that is the result of an audit exception, as described in paragraph (2) of subdivision (a) of Section 41341.

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

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

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

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

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

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

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

(B) (i) Notwithstanding subparagraph (A), commencing with the 2036–37 fiscal year, a base grant of:

(I) Fourteen thousand eight hundred seventy-nine dollars (\$14,879) for average daily attendance in kindergarten and grades 1 to 3, inclusive.

(II) Fifteen thousand one hundred four dollars (\$15,104) for average daily attendance in grades 4 to 6, inclusive.

(III) Fifteen thousand five hundred fifty-one dollars (\$15,551) for average daily attendance in grades 7 and 8.

(IV) Eighteen thousand twenty-three dollars (\$18,023) for average daily attendance in grades 9 to 12, inclusive.

(ii) It is the intent of the Legislature to fully fund the local control funding formula target base grants in those years preceding the 2036–37 fiscal year and to spend those funds in the manner described in subdivision (b) of Section 42238.017.

(2) In each year the grade 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

1 Purchases of Goods and Services for the United States, as published  
2 by the United States Department of Commerce for the 12-month  
3 period ending in the third quarter of the prior fiscal year. This  
4 percentage change shall be determined using the latest data  
5 available as of May 10 of the preceding fiscal year compared with  
6 the annual average value of the same deflator for the 12-month  
7 period ending in the third quarter of the second preceding fiscal  
8 year, using the latest data available as of May 10 of the preceding  
9 fiscal year, as reported by the Department of Finance.

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

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

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

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

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

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

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



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

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

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

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

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

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

(5) For the 2022–23 fiscal year, the Superintendent shall increase the base grants for kindergarten and grades 1 to 12, inclusive, by

1 6.7 percent. This adjustment shall be calculated by multiplying  
2 the grade span-adjusted base grants calculated pursuant to  
3 paragraph (2) for the 2021–22 fiscal year by 6.7 percent. The  
4 adjustment shall be included in grade span-adjusted base grants  
5 grant amounts for purposes of the adjustment pursuant to paragraph  
6 (2) commencing with the 2023–24 fiscal year.

7 (e) The Superintendent shall compute a supplemental grant  
8 add-on equal to 20 percent of the base grants as specified in  
9 paragraph (1) of subdivision (d), as adjusted by paragraphs (2) to  
10 (5), inclusive, of subdivision (d), for each school district's or  
11 charter school's percentage of unduplicated pupils calculated  
12 pursuant to paragraph (5) of subdivision (b). The supplemental  
13 grant shall be calculated by multiplying the base grants as specified  
14 in paragraph (1) of subdivision (d), as adjusted by paragraphs (2)  
15 to (5), inclusive, of subdivision (d), by 20 percent and by the  
16 percentage of unduplicated pupils calculated pursuant to paragraph  
17 (5) of subdivision (b) in that school district or charter school. The  
18 supplemental grant shall be expended in accordance with the  
19 regulations adopted pursuant to Section 42238.07.

20 (f) (1) (A) The Superintendent shall compute a concentration  
21 grant add-on equal to 50 percent of the base grants as specified in  
22 paragraph (1) of subdivision (d), as adjusted by paragraphs (2) to  
23 (5), inclusive, of subdivision (d), for each school district's or  
24 charter school's percentage of unduplicated pupils calculated  
25 pursuant to paragraph (5) of subdivision (b) in excess of 55 percent  
26 of the school district's or charter school's total enrollment. The  
27 concentration grant shall be calculated by multiplying the base  
28 grants as specified in paragraph (1) of subdivision (d), as adjusted  
29 by paragraphs (2) to (5), inclusive, of subdivision (d), by 50 percent  
30 and by the percentage of unduplicated pupils calculated pursuant  
31 to paragraph (5) of subdivision (b) in excess of 55 percent of the  
32 total enrollment in that school district or charter school.

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

1 be calculated by multiplying the base grants as specified in  
2 paragraph (1) of subdivision (d), as adjusted by paragraphs (2) to  
3 (5), inclusive, of subdivision (d), by 65 percent and by the  
4 percentage of unduplicated pupils calculated pursuant to paragraph  
5 (5) of subdivision (b) in excess of 55 percent of the total enrollment  
6 in that school district or charter school.

7 (2) (A) For a charter school physically located in only one  
8 school district, the percentage of unduplicated pupils calculated  
9 pursuant to paragraph (5) of subdivision (b) in excess of 55 percent  
10 used to calculate concentration grants shall not exceed the  
11 percentage of unduplicated pupils calculated pursuant to paragraph  
12 (5) of subdivision (b) in excess of 55 percent of the school district  
13 in which the charter school is physically located. For a charter  
14 school physically located in more than one school district, the  
15 charter school's percentage of unduplicated pupils calculated  
16 pursuant to paragraph (5) of subdivision (b) in excess of 55 percent  
17 used to calculate concentration grants shall not exceed that of the  
18 school district with the highest percentage of unduplicated pupils  
19 calculated pursuant to paragraph (5) of subdivision (b) in excess  
20 of 55 percent of the school districts in which the charter school  
21 has a school facility. The concentration grant shall be expended  
22 in accordance with the regulations adopted pursuant to Section  
23 42238.07.

24 (B) For purposes of this paragraph and subparagraph (A) of  
25 paragraph (1) of subdivision (f) of Section 42238.03, a charter  
26 school shall report its physical location to the department under  
27 timeframes established by the department. For a charter school  
28 authorized by a school district, the department shall include the  
29 authorizing school district in the department's determination of  
30 physical location. For a charter school authorized on appeal  
31 pursuant to subdivision (k) of Section 47605, the department shall  
32 include the school district that initially denied the petition in the  
33 department's determination of physical location. Notwithstanding  
34 subdivision (a) of Section 14002, the reported physical location  
35 of the charter school shall be considered final as of the second  
36 principal apportionment for that fiscal year, and, for purposes of  
37 this paragraph, the percentage of unduplicated pupils of the school  
38 district associated with the charter school pursuant to subparagraph  
39 (A) shall be considered final as of the second principal  
40 apportionment for that fiscal year.

(g) (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 Targeted Instructional Improvement Block Grant program, as set forth in Article 6 (commencing with Section 41540) of Chapter 3.2, for the 2012–13 fiscal year, as that article read on January 1, 2013. A school district or charter school shall not receive a total funding amount from this add-on greater than the total amount of funding received by the school district or charter school from that program 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) (A) Notwithstanding Section 42238.05, for the 2022–23 to 2035–36 fiscal years, inclusive, 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 two thousand eight hundred thirteen dollars (\$2,813) multiplied by the then current fiscal year's second principal apportionment period average daily attendance in transitional kindergarten, as adjusted each fiscal year pursuant to subparagraph (C).

(B) Notwithstanding Section 42238.05, commencing with the 2036–37 fiscal year and for each fiscal year thereafter, 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 ~~four thousand two hundred twenty dollars (\$4,220)~~ *eight thousand three hundred eighteen dollars (\$8,318)* multiplied by the then current fiscal year's second principal apportionment period average daily attendance in transitional kindergarten, as adjusted each fiscal year pursuant to subparagraph (C).

(C) Commencing with the 2023–24 fiscal year, the add-on computed pursuant to subparagraph (A) or (B), as applicable, shall be adjusted by the percentage change applied pursuant to paragraph (2) of subdivision (d).

(D) It is the intent of the Legislature that the costs to meet the requirements of paragraph (2) of subdivision (g) of Section 48000 be supported by the add-on 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

1 district or charter school received from funds allocated pursuant  
2 to the Home-to-School Transportation program, as set forth in  
3 former Article 2 (commencing with Section 39820) of Chapter 1  
4 of Part 23.5, former Article 10 (commencing with Section 41850)  
5 of Chapter 5, and the Small School District Transportation  
6 program, as set forth in former Article 4.5 (commencing with  
7 Section 42290), as those articles read on January 1, 2013, for the  
8 2012–13 fiscal year. A school district or charter school shall not  
9 receive a total funding amount from this add-on greater than the  
10 total amount received by the school district or charter school for  
11 those programs in the 2012–13 fiscal year. The amount computed  
12 pursuant to this subdivision shall reflect the reduction specified in  
13 paragraph (2) of subdivision (a) of Section 42238.03.

14 (2) If a home-to-school transportation joint powers agency,  
15 established pursuant to Article 1 (commencing with Section 6500)  
16 of Chapter 5 of Division 7 of Title 1 of the Government Code for  
17 purposes of providing pupil transportation, received an  
18 apportionment directly from the Superintendent from any of the  
19 funding sources specified in paragraph (1) for the 2012–13 fiscal  
20 year, the joint powers agency may identify the member local  
21 educational agencies and transfer entitlement to that funding to  
22 any of those member local educational agencies by reporting to  
23 the Superintendent, on or before September 30, 2015, the  
24 reassignment of a specified amount of the joint powers agency's  
25 2012–13 fiscal year entitlement to the member local educational  
26 agency. Commencing with the 2015–16 fiscal year, the  
27 Superintendent shall compute an add-on to the total sum of a school  
28 district's or charter school's base, supplemental, and concentration  
29 grants equal to the amount of the entitlement to funding transferred  
30 by the joint powers agency to the member school district or charter  
31 school.

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

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

39 (A) For school districts, the average daily attendance of the  
40 school district in the corresponding grade level ranges computed

1 pursuant to Section 42238.05, excluding the average daily  
2 attendance computed pursuant to paragraph (2) of subdivision (a)  
3 of Section 42238.05 for purposes of the computation specified in  
4 subdivision (d).

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

7 (2) The amount computed pursuant to Article 4 (commencing  
8 with Section 42280) shall be added to the amount computed  
9 pursuant to paragraphs (1) to (4), inclusive, of subdivision (d), as  
10 multiplied by subparagraph (A) or (B) of paragraph (1), as  
11 appropriate.

12 (j) The Superintendent shall adjust the sum of each school  
13 district's or charter school's amount determined in subdivisions  
14 (g) to (i), inclusive, pursuant to the calculation specified in Section  
15 42238.03, less the sum of the following:

16 (1) (A) For school districts, the property tax revenue received  
17 pursuant to Chapter 3.5 (commencing with Section 75) and Chapter  
18 6 (commencing with Section 95) of Part 0.5 of Division 1 of the  
19 Revenue and Taxation Code.

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

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

25 (3) The amount, if any, received pursuant to Chapter 3  
26 (commencing with Section 16140) of Part 1 of Division 4 of Title  
27 2 of the Government Code.

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

29 (5) Fifty percent of the amount received pursuant to Section  
30 41603.

31 (6) The amount, if any, received pursuant to the Community  
32 Redevelopment Law (Part 1 (commencing with Section 33000)  
33 of Division 24 of the Health and Safety Code), less any amount  
34 received pursuant to Section 33401 or 33676 of the Health and  
35 Safety Code that is used for land acquisition, facility construction,  
36 reconstruction, or remodeling, or deferred maintenance and that  
37 is not an amount received pursuant to Section 33492.15, or  
38 paragraph (4) of subdivision (a) of Section 33607.5, or Section  
39 33607.7 of the Health and Safety Code that is allocated exclusively  
40 for educational facilities.

1 (7) The amount, if any, received pursuant to Sections 34177,  
2 34179.5, 34179.6, 34183, and 34188 of the Health and Safety  
3 Code.

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

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

9 (l) (1) This section does not authorize a school district that  
10 receives funding on behalf of a charter school pursuant to Section  
11 47651 to redirect this funding for another purpose unless otherwise  
12 authorized in law pursuant to paragraph (2) or pursuant to an  
13 agreement between the charter school and its chartering authority.

14 (2) A school district that received funding on behalf of a locally  
15 funded 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 a school district that was required to pass  
19 through funding to a conversion charter school in the 2012–13  
20 fiscal year pursuant to paragraph (2) of subdivision (b) of Section  
21 42606, as that section read on January 1, 2013, may annually  
22 redirect for another purpose a percentage of the amount of the  
23 funding received on behalf of that charter school. The percentage  
24 of funding that may be redirected shall be determined pursuant to  
25 the following computation:

26 (A) (i) Determine the sum of the need fulfilled for that charter  
27 school pursuant to paragraph (3) of subdivision (b) of Section  
28 42238.03 in the then current fiscal year for the charter school.

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

34 (iii) Subtract the amount computed pursuant to paragraphs (1)  
35 to (3), inclusive, of subdivision (a) of Section 42238.03 from the  
36 amount computed for that charter school under the local control  
37 funding formula entitlement computed pursuant to subdivision (i)  
38 of this section.

1 (iv) Compute a percentage by dividing the sum of the amounts  
2 computed pursuant to clauses (i) and (ii) by the amount computed  
3 pursuant to clause (iii).

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

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

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

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

30 (n) The funds apportioned pursuant to this section and Section  
31 42238.03 shall be available to implement the activities required  
32 pursuant to Article 4.5 (commencing with Section 52059.5) of  
33 Chapter 6.1 of Part 28 of Division 4.

34 (o) A school district that does not receive an apportionment of  
35 state funds pursuant to this section, as implemented pursuant to  
36 Section 42238.03, excluding funds apportioned pursuant to the  
37 requirements of subparagraph (A) of paragraph (2) of subdivision  
38 (e) of Section 42238.03, shall be considered a “basic aid school  
39 district” or an “excess tax entity.”



~~SEC. 4.~~

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

42282. (a) For the 2022–23 to 2035–36 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, as adjusted each fiscal year pursuant to Section 42287:

(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).

(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).

(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).

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

(b) Commencing with the 2036–37 fiscal year, for each school district, on account of each necessary small school, as defined in Section 42283, the Superintendent shall make the following computations, as adjusted each fiscal year pursuant to Section 42287:

(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 four hundred six thousand eight hundred twenty-nine dollars (\$406,829).

(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 eight hundred five thousand ninety-one dollars (\$805,091).

(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 one million two hundred three thousand seven hundred four dollars (\$1,203,704).

(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 Superintendent shall compute for the school district one million six hundred one thousand nine hundred sixty-four dollars (\$1,601,964).

(c) It is the intent of the Legislature to fully fund the necessary small school targets in those years preceding the 2036–37 fiscal year and to spend those funds in the manner described in subdivision (b) of Section 42238.017.

~~SEC. 5.~~

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

42284. (a) For the 2022–23 to 2035–36 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, 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 2036–37 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:

| Average daily attendance | Minimum number of certificated employees | Amount to be computed per teacher |
|--------------------------|------------------------------------------|-----------------------------------|
| 1–19 .....               | 1                                        | \$339,212                         |
| 1–19 .....               | 2                                        | \$483,632                         |

|    |               |    |             |
|----|---------------|----|-------------|
| 1  | 1–19 .....    | 3  | \$1,074,303 |
| 2  | 20–38 .....   | 4  | \$1,316,118 |
| 3  | 39–57 .....   | 5  | \$1,557,935 |
| 4  | 58–71 .....   | 6  | \$1,799,750 |
| 5  | 72–86 .....   | 7  | \$2,041,566 |
| 6  | 87–100 .....  | 8  | \$2,283,381 |
| 7  | 101–114 ..... | 9  | \$2,525,198 |
| 8  | 115–129 ..... | 10 | \$2,767,013 |
| 9  | 130–143 ..... | 11 | \$3,008,829 |
| 10 | 144–171 ..... | 12 | \$3,250,646 |
| 11 | 172–210 ..... | 13 | \$3,892,188 |
| 12 | 211–248 ..... | 14 | \$4,594,914 |
| 13 | 249–286 ..... | 15 | \$5,297,651 |

14

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

23 (d) It is the intent of the Legislature to fully fund the necessary  
 24 small school targets in those years preceding the 2036–37 fiscal  
 25 year and to spend those funds in the manner described in  
 26 subdivision (b) of Section 42238.017.