

Vice-Chair
Ochoa Bogh, Rosilicie

Members
Cortese, Dave
Dahle, Brian
Glazer, Steven M.
McGuire, Mike
Pan, Richard

California State Senate

EDUCATION



CONNIE LEYVA
CHAIR

Staff Director
Lynn Lorber

Principal Consultant
Brandon Darnell
Olgallia Ramirez
Ian Johnson

Committee Assistant
Lauren Robinson
Irma Kam

State Capitol, Room 2083
(916) 651-4105
FAX: (916) 324-0917

AGENDA

Wednesday, January 12, 2022
10 a.m. -- John L. Burton Hearing Room (4203)

MEASURES HEARD IN FILE ORDER

- | | | | |
|----|--------|------------|---|
| 1. | SB 3 | Caballero | Education finance: local control and accountability plan portal. |
| 2. | SB 286 | Min | Elections: Orange County Department of Education. |
| 3. | SB 387 | Portantino | Pupil health: school employee and pupil training: youth mental and behavioral health. |
| 4. | SB 579 | Allen | Education finance: local control funding formula. |
| 5. | SB 622 | Roth | Student financial aid: State Department of Social Services: individuals serving foster youth. |

SENATE COMMITTEE ON EDUCATION

Senator Connie Leyva, Chair

2021 - 2022 Regular

Bill No: SB 3 **Hearing Date:** January 12, 2022
Author: Caballero
Version: January 3, 2022
Urgency: No **Fiscal:** Yes
Consultant: Brandon Darnell

Subject: Education finance: local control and accountability plan portal

SUMMARY

This bill requires the California Department of Education (CDE), on before July 1, 2023, to develop a local control and accountability plan (LCAP) portal that contains a database connected to a data entry tool that allows comprehensive analysis of LCAPs adopted by local educational agencies (LEAs).

BACKGROUND

Existing law:

- 1) Establishes the local control funding formula (LCFF), which provides school districts, charter schools, and county offices of education with a base level of funding plus additional funding based on the enrollment of pupils who are either English learners, low income, or in foster care. Pupils who fall into more than one category are counted only once for LCFF purposes, hence the term "unduplicated pupil."
- 2) Establishes supplemental grants, which are equal to 20 percent of the adjusted LCFF base grant multiplied by average daily attendance (ADA) and the percentage of unduplicated pupils in a school district or charter school.
- 3) Establishes concentration grants, which are equal to 50 percent of the adjusted LCFF base grant multiplied by ADA and the percentage of unduplicated pupils exceeding 55 percent of a school district's or charter school's enrollment.
- 4) Charged the State Board of Education (SBE) with adopting regulations by January 31, 2014, governing the allowable use of supplemental and concentration grant funds by LEAs. The regulations require LEAs to increase or improve services for unduplicated pupils in proportion to the supplemental and concentration grant funds received and authorize LEAs to use the funds for schoolwide, districtwide, countywide, or charterwide purposes, as specified.

ANALYSIS

This bill requires the CDE, on before July 1, 2023, to develop an LCAP portal that contains a database connected to a data entry tool that allows comprehensive analysis of LCAPs adopted by LEAs. Specifically, this bill:

- 1) Requires CDE, on or before July 1, 2023, to develop an LCAP portal that contains a database connected to a data entry tool that will allow comprehensive analysis by policymakers of actions, expenditures, and progress on metrics included within LCAPs adopted by LEAs.
- 2) Requires the design of the portal to take into consideration the input provided during the required public input process and to include opportunities to display or create reports based on information collected through the portal.
- 3) Requires the portal to include a tracking mechanism for LEAs to use to report the types of services on which they spend their supplemental and concentration grant funds.
- 4) Requires each LEA to annually report to the CDE the types of services on which it spends its supplemental and concentration grant funds using the LCAP portal developed pursuant to this bill, and authorizes the SBE to amend the LCAP template to facilitate this reporting requirement.
- 5) Requires the CDE, to the extent necessary to implement the requirements in (4) above, to make corresponding changes to the Local Control and Accountability Plan Electronic Template System to support the collection of data through the LCAP portal and to work with stakeholders to develop a list of common uses of supplemental and concentration grant funds to help to simplify and standardize the reporting and tracking mechanism.
- 6) For purposes of these provisions, defines "local educational agency" to mean a school district, county office of education, or charter school.
- 7) States that it is the intent of the Legislature that the state design and implement a LCAP portal to collect data from LCAPs in a systematic and organized approach and then make that data available through various query tools, and that this data storage and query mechanism be designed to support a system of continuous improvement, support local community engagement, and provide state level oversight, and specifically do all of the following:
 - a) Identify actions taken by LEAs that supported the meeting of LCAP goals required by the 10 state priority areas, including closing achievement gaps for each of those priority areas, and local option outcome goals and gaps that plans proposed.
 - b) Support community engagement by identifying best practices that LEAs use to promote authentic engagement, and provide both standardized and customizable query tools for parents, community groups, and education partners to understand how their LEAs are using local control funding formula funds, and how those actions compare to other LEAs, including those serving nearby geographic areas or serving schools with similar demographics.
 - c) Provide information to the Legislature and the Administration on whether LCFF supplemental and concentration grant funds are being used to

increase and improve services as required by statute, and ensure that all schoolwide and districtwide uses of LCFF supplemental and concentration grant funds are used on effective, or the most effective, actions for low-income pupils, English learners, and foster youth, including closing achievement gaps in all state priority areas, and that these actions disproportionately benefit these pupil groups.

- 8) Includes legislative findings and declarations related to these provisions, including:
- a) In addition to the California State Auditor's report, in 2021, the Public Policy Institute of California studied several large school districts and issued a report that concluded only about 55 cents of every supplemental and concentration grant dollar was spent on the intended pupils — English learners, low-income pupils, and foster youth — and that there was a great deal of variation in how school districts spent the remaining 45 cents of every supplemental and concentration grant dollar. Most alarming was that one-quarter of the school districts spent less than their full local control funding formula base grant and none of their supplemental and concentration grant funds. Based on its analysis, the Public Policy Institute of California made the following recommendations:
 - i) The state needs to improve tracking and transparency because many educational partners lack full information and understanding about how funding for high-needs pupils is allocated.
 - ii) The state should consider funding mechanisms based on school need rather than district need because many concentration schools are located in districts that do not receive concentration grants.
 - iii) The state should consider increasing supplemental grants, lowering the threshold for concentration grants, or both of those, so funding for high-needs pupils is targeted across a broader set of districts.
 - b) In November 2021, Policy Analysis for California Education released a report titled, "What's Next for the Local Control Funding Formula," and identified four areas needing improvement. Among those four areas was strengthening transparency, engagement, and accountability to ensure that LCFF funding is appropriately used, there is access to clear fiscal data, and there is investment in programs to improve stakeholder engagement.
 - c) The California system of support is focused on helping LEAs tap into rich resources so they can develop the skills and knowledge educators need to improve pupil learning. To better meet the needs of all pupils, particularly historically marginalized pupils, LEAs need support to share best practices to solve similar challenges.

- d) A system of local planning and accountability relies on local stakeholders having access to relevant, meaningful, and comparable information about goals, actions, services, expenditures, and outcomes.
- e) The state is providing almost \$11.5 billion annually in supplemental and concentration grant funds without an understanding of how those funds are being used and if they are benefiting the targeted pupils.
- f) Chapter 24 of the Statutes of 2020 appropriated \$450,000 to the CDE, in partnership with the San Joaquin County Office of Education, for several projects to enhance information about education funding and outcomes, including collecting public input and beginning the development of a Local Control and Accountability Plan Electronic Template System to collect data from LEAs' LCAPs in a systematic way.
- g) A well-designed local control and accountability plan portal would benefit the system of continuous improvement by allowing local educational agencies to learn about what types of actions other LEAs are implementing to address specific goals.
- h) A well-designed LCAP portal will provide information to local stakeholders about the use of supplemental and concentration grant funds. Having consistent and transparent information about goals, actions, and outcomes across LEAs is an essential bridge for local communities and education partners to engage effectively in local planning and accountability processes.
- i) A well-designed LCAP portal will allow for state oversight of the use of supplemental and concentration grant funds, including oversight of any carryover funding.

STAFF COMMENTS

- 1) **Need for the bill.** According to the author's office, "During this critical time, it is more important than ever to ensure that funding meant to support our most vulnerable pupils will be used for that purpose. Ensuring that supplemental and concentration grant funds are always used to support targeted pupils will safeguard resources needed to meet their unique needs, assist efforts to address the learning loss that has occurred, and ensure the promise of the local control funding formula in times of increases and reductions."
- 2) **Local Control Funding Formula.** The LCFF was established in 2013-14 to provide a higher level of funding to LEAs that serve larger numbers of unduplicated pupils. The LCFF provides a base grant equal to the following per-pupil amounts in 2021-22:
 - a) \$8,935 for grades K-3, which includes a 10.4 percent increase for class size reduction;
 - b) \$8,215 for grades 4-6;

- c) \$8,458 for grades 7 and 8;
- d) \$10,057 for grades 9-12, which includes a 2.6 percent increase for college and career readiness.

In addition to the base grant, school districts and charter schools receive funding for each enrolled pupil who is either an English learner, low income, or in foster care. Pupils who fall into more than one category are counted only once, hence the term "unduplicated pupils". Districts and charter schools receive an additional 20 percent of the base grant amount for each unduplicated pupil they serve. When the enrollment of unduplicated pupils exceeds 55 percent of total enrollment, school districts and charter schools also receive a concentration grant equal to 65 percent of the base grant multiplied by ADA and the percentage of targeted pupils exceeding 55 percent of a school district's or charter school's enrollment.

- 3) **Spending regulations adopted by the State Board of Education.** Existing law charged the SBE with adopting regulations by January 31, 2014, governing the allowable use of supplemental and concentration grant funds by LEAs. Under the regulations, LEAs must provide evidence in the LCAP demonstrating how supplemental and concentration grant funds will be used to increase or improve services for unduplicated pupils as compared to the services provided to all pupils. The percentage of increased or improved services must equal at least the percentage of increased funding that the unduplicated pupils generate for the LEA, known as "minimum proportionality".

The regulations also establish the conditions under which an LEA may use supplemental and concentration grant funds for schoolwide, districtwide, countywide, or charterwide purposes. Generally, LEAs are authorized to use the funds for these purposes if they identify the services being funded and describe in the LCAP how such services are principally directed towards, and are effective in, meeting the LEA's goals for its unduplicated pupils.

- 4) **Recent audit of the LCFF.** In November 2019, the California State Auditor completed an audit of the LCFF at the request of the Joint Legislative Audit Committee (<https://www.auditor.ca.gov/pdfs/reports/2019-101.pdf>). Three large districts were reviewed—Clovis Unified School District, Oakland Unified School District, and San Diego Unified School District. The State Auditor examined whether these districts used supplemental and concentration funds to provide services to the intended student groups and whether those services improved the intended student groups' educational outcomes.

The audit revealed the following:

- a) The State's approach to LCFF has not ensured that funding is benefiting intended student groups and closing achievement gaps.
- b) The State does not explicitly require districts to spend their supplemental and concentration funds on the intended student groups or to track their

spending of those funds. Districts can treat any unspent supplemental and concentration funds in a given year as base funds in the following year and can use those funds for general purposes.

- c) Since fiscal year 2013–14, the deferral of full-formula implementation to LCFF has caused the three districts reviewed to identify \$320 million as being part of their base funds rather than supplemental and concentration funds.
- d) Districts do not always include clear information in their LCAPs regarding their use of supplemental and concentration funds.
- e) Policymakers and stakeholders lack adequate information to assess the impact of supplemental and concentration funds on the educational outcomes of the intended student groups.

The audit report included the following recommendations for the Legislature:

- a) Amend state law to require districts and other LEAs to identify any unspent supplemental and concentration funds by annually reconciling the estimated amounts of these funds included in their LCAPs with the actual amounts of these funds the CDE reports having apportioned to them.
 - b) Amend state law to specify that unspent supplemental and concentration funds at year-end must retain its designation to increase and improve services for intended student groups and be spent in a following year. The Legislature should also require districts and other LEAs to identify in their LCAPs for the following year the total amounts of any unspent supplemental and concentration funds. In addition, it should direct the State Board of Education to update the LCAP template to require districts and other LEAs to report in their LCAPs how they intend to use any previously unspent supplemental and concentration funds to provide services that benefit intended student groups.
 - c) Require the CDE to update its accounting manual to direct districts and other LEAs to track and report to it the total amount of supplemental and concentration funds they receive and spend each year.
 - d) Require the CDE to develop and implement a tracking mechanism that districts and other LEAs must use to report to it the types of services on which they spend their supplemental and concentration funds.
- 5) ***Recent changes to LCAP template address some concerns identified in audit.*** Over the past several years, before and during COVID, there have been several legislative attempts to address concerns regarding supplemental and concentration grant spending and transparency. While these standalone policy proposals were not ultimately chaptered, some of their provisions were enacted through the budget.

- Most notably, AB 1835 (Weber, 2019) would have required that carryover (unspent) supplemental and concentration funds continue to be expended to increase and improve services for unduplicated pupils in future years, rather than revert to the LEA's general fund. Governor Newsom vetoed AB 1835, stating:

"I deeply support the underlying goal of this bill - to ensure that unspent Local Control Funding Formula (LCFF) supplemental and concentration grant funds are expended on services for our most vulnerable students - and I applaud Dr. Weber for her continued leadership. However, I believe there are some fundamental flaws with the bill, and I am concerned that it cannot be implemented in a manner that is smooth or timely.

There is a simpler solution that allows us to address the objectives of AB 1835 much sooner and with more transparency. Therefore, I am directing the Department of Finance to propose language for your consideration as part of my budget in January.

As written, AB 1835 would necessitate that the State Board of Education initiate a lengthy rulemaking process to amend the LCFF spending regulations to add definitions and make other necessary changes to clarify the requirements of the bill. This process would likely delay implementation for two school years. This bill would also impose new and unnecessary procedural requirements on schools that are and will be managing unprecedented challenges related to COVID-19.

We all share the same goal, and it is critical that we act quickly to ensure that funding meant to support our state's most vulnerable students is used for that purpose. I look forward to working with Dr. Weber and the Legislature to implement this requirement in next year's budget."

- Consequently, the Newsom Administration proposed its own language that was adopted in AB 130 (Committee on Budget, Chapter 44, Statutes of 2021). AB 130 added additional oversight by county offices of education on actions that satisfy the Minimum Proportionality Percentage (MPP) for LCAPs that propose to expend less on actions to increase or improve services than their LCFF apportionment attributable to supplemental and concentration funds. AB 130 also required a specific justification of how services are improved, and that dollars associated with unimplemented actions that are counted toward meeting the MPP be used for actions that meet the needs of unduplicated students in future years.

- Previously, AB 1840 (Committee on Budget, Chapter 426, Statutes of 2018) required more fiscal transparency in LCAPs. Specifically, AB 1840:
 - Required the SBE to replace the existing expenditure tables within the "Goals, Actions and Services" section of the LCAP with a new summary table of planned expenditures for all actions for each goal included in the LCAP, broken out by fund source (LCFF, other state, local, and federal). It also required the total overall expenditures to be broken out by personnel and non-personnel expenditures.
 - Required the SBE to include a summary table within the "Demonstration of Increased or Improved Services" section of the LCAP that includes a summary of the actions and planned expenditures to increase or improve services for English learners, low-income and foster youth students, and required the planned expenditures to be grouped by expenditures provided to students on a districtwide, countywide or charterwide basis, expenditures targeted to one or more student subgroups, and expenditures targeted at specific school sites.

The SBE adopted a revised template in January of 2020 to implement these requirements.

This bill would take a further step in fiscal transparency for supplemental and concentration grant funds by affirmatively identifying which goals and actions are funded by supplemental or concentration funds specifically, not just LCFF funds generally. By doing this, it would make it easier to track how much of those grants funded actions that were targeted to the students generating those funds, versus actions with schoolwide or districtwide purposes, and whether they funded actions that were ultimately implemented.

However, because MPP can be met either quantitatively or qualitatively, it is not an absolute requirement that supplemental and concentration grants funds are spent on targeted actions, so long as an LEA can demonstrate that it qualitatively improved services to unduplicated pupils in proportion to its increased funding. To the extent that further transparency directly linking supplemental and concentration grant funds to specific actions increases pressure to use those funds in a targeted manner, LEAs may choose to focus on demonstrating MPP quantitatively versus qualitatively. In such a scenario, LEAs would be focused on funding actions that are specific to unduplicated pupils only, as opposed to also funding some schoolwide or districtwide actions, but that are principally directed toward unduplicated pupils and effective in meeting their goals, consistent with SBE regulations.

SUPPORT

Children Now (Co-Sponsor)
Parent Revolution (Co-Sponsor)
Teach Plus (Co-Sponsor)

The Education Trust – West (Co-Sponsor)
Alliance for Children's Rights
Californians Together
Educators for Excellence - Los Angeles
Edvoice
Go Public Schools
Govern for California
Great Public Schools Now
Innovate Public Schools
Kipp SoCal Public Schools
Loyola Marymount University - the Center for Equity for English Learners
National Center for Youth Law
Para Los Ninos
Parent Institute for Quality Education
Youth Justice Education Clinic, Center for Juvenile Law and Policy, Loyola Law School

OPPOSITION

None received

-- END --

of a county board of education *except* as provided in #2 below. (Education Code § 1007)

- 5) Requires that the regular election to select governing board members in any school district, community college district, or county board of education be held on the first Tuesday after the first Monday in November of each odd-numbered year, *except*:

After the initial election of governing board members in any school district, community college district, or of members of a county board of education, the election of governing board members for the district or of members of the county board of education *may* be established, upon the adoption of an appropriate resolution by the governing board or the county board of education, to regularly occur on the same day as the statewide *direct primary election*, the statewide *general election*, *or* the *general municipal election*. Existing law provides that the resolution is to become operative upon approval by the board of supervisors. (Elections Code § 1302)

- 6) Authorizes a charter amendment to appear on the San Diego County ballot to require candidates for county office to be elected at the general election. (Government Code § 23725)

ANALYSIS

This bill requires the election for seats on the Orange County Board of Education to be consolidated within the November statewide general election. Specifically, this bill:

- 1) Requires an election for any elected office within the Orange County Department of Education that meets the following criteria to be consolidated within the statewide *general election* in November:
 - a) The election is determined by the plurality of votes cast for that office, with no possibility of runoff (“winner takes all”); and
 - b) The election is consolidated within a statewide election (primary or general).
- 2) Requires an election for such elected office within the Orange County Department of Education that, as of January 1, 2023, is consolidated within a statewide *direct primary election* to instead be moved and consolidated with the November statewide *general election*.
- 3) Requires the term of office of all incumbents to be extended accordingly, as necessary, until the successor takes office after the new election date.
- 4) Provides that a special statute is necessary because of the unique circumstances facing elections for offices within the Orange County Department of Education.

STAFF COMMENTS

1) ***Need for the bill.*** According to the author, “School boards, including local school districts and county boards of education, have the option of holding their single plurality elections either in the primary or in the general election. Some school boards choose to hold their single plurality election in the primary therefore eliminating even the possibility of a general election school board election. Overall, statewide general elections attract significantly more voters than primary elections. Not only is the number of voters significantly smaller compared to general elections, primary electorates also include fewer people from underrepresented populations – including youth, Black, Latinx, and Asian American people, than do fall general electorates. The overwhelming majority of county offices of education hold elections for elected office in the November general election. From the county offices of education that had candidate elections in 2020, 42 (89%) appeared on the November general election ballot. Only five county offices of education held candidate elections on the primary ballot in 2020. SB 286 would increase voter participation in the Orange County Department of Education elections and reduce voter confusion by creating uniformity around the timing of elections.”

2) ***Which elected offices in Orange County Department of Education?*** The elected offices within the Orange County Department of Education include seats on the county board of education and the county superintendent of schools. The only offices that meet the criteria established by this bill (being determined by a plurality of votes with no possibility of runoff) are the seats on the county board of education. According to the California Elections Data Archive, of the 53 counties with elected superintendents of schools, the elections are all held with the statewide primary election. The only November elections for county superintendents of schools appear to be runoffs.

The county superintendent of schools is considered a county officer who falls under Orange County election rules and procedures. According to the Orange County Registrar of Voters website, a candidate for the county superintendent of schools must receive 50 percent plus 1 vote in the direct primary; otherwise, a run-off election is held in November.

Staff recommends an amendment to strike references to elected offices within the Orange County Department of Education and instead specifically reference the elections for seats on the county board of education. Due to timing, this amendment should be adopted when this bill is heard in the Senate Elections and Constitutional Amendments Committee.

3) ***Local remedy exists.*** Existing law allows county boards of education to adopt a resolution to change their elections to regularly occur on the same day as the statewide *direct primary election*, the statewide *general election*, or the *general municipal election*. Existing law requires the resolution to be approved by the county board of supervisors in order to become effective. Existing law requires the board of supervisors, within 60 days from the date of submission, to approve

the resolution unless it finds that the ballot style, voting equipment, or computer capacity is such that additional elections or materials cannot be handled.

It does not appear to committee staff that the Orange County board of education has adopted such a resolution or requested to consolidate its election into the statewide general election. *Should the existing local remedy be attempted prior to the Legislature imposing a change in local election procedures?*

- 4) **Double-referred.** This bill has been double-referred to this committee and to the Senate Elections and Constitutional Amendments Committee.
- 5) **Prior legislation.** SB 1450 (Umberg, 2020) contained a provision that was similar to this bill but applicable statewide rather than just to offices within the Orange County Department of Education. SB 1450 would have required an election for an office that is determined by the plurality of the votes cast for that office, with no possibility of a runoff, that is consolidated with a statewide election shall be consolidated with the statewide general election in November. SB 1450 was never heard due to the shortened legislative calendar in 2020.

SUPPORT

None received

OPPOSITION

None received

-- END --

- a) Provides instruction on recognizing the signs and symptoms of youth behavioral health, including common psychiatric conditions and substance use disorders such as opioid and alcohol abuse.
- b) Provides instruction on how school staff can best provide referrals to youth behavioral health services, or other support to individuals in the early stages of developing a behavioral disorder.
- c) Provides instruction on how to maintain pupil privacy and confidentiality in a manner consistent with federal and state privacy laws.
- d) Provides instruction on the safe deescalation of crisis situations involving individuals with a youth behavioral health disorder.
- e) Is capable of assessing trainee knowledge before and after training is provided in order to measure training outcomes.
- f) Is administered by a nationally recognized training authority in youth behavioral health disorders.
- g) Includes in-person and virtual training with certified instructors who can recommend resources available in the community for individuals with a youth behavioral health disorder. For this purpose "certified instructors" means individuals who obtain or have obtained a certification to provide the selected training. (EC § 49428.15)

ANALYSIS

This bill, subject to an appropriation, requires an LEA, on or before January 1, 2025, to certify to the CDE that 75 percent of its classified employees and 75 percent of its certificated employees having direct contact with pupils at each school have received specified youth behavioral health training. Specifically, this bill:

- 1) Requires an LEA, on or before January 1, 2025, to certify to the CDE that 75 percent of its classified employees and 75 percent of its certificated employees having direct contact with pupils at each school have received specified youth behavioral health training, subject to all of the following conditions:
 - a) The youth behavioral health training is provided to classified and certificated employees during regularly scheduled work hours.
 - b) If a classified or certificated employee receives the youth behavioral health training in a manner other than through an in-service training program provided by the LEA, the employee may present a certificate of successful completion of the training to the LEA for purposes of satisfying the requirements of this bill.
 - c) The youth behavioral health training shall not be a condition of employment or hiring for classified or certificated employees.

- 2) Specifically identifies schizophrenia, bipolar disorder, major clinical depression, and anxiety disorders as common psychiatric conditions for purposes of the recommended best practices and identified evidence-based and evidence-informed training programs for schools to address youth behavioral health, to be completed by CDE by January 1, 2023.

STAFF COMMENTS

- 1) **Need for the bill.** According to the author's office, "Under [SB 14 (Portantino, Chapter 672, Statutes of 2021)], the completion of a state-identified training program to address youth behavioral health is not required. This bill, SB 387, builds upon the new law by requiring a local educational agency, as defined, to certify to the department that 75 percent of both classified and certificated employees having direct contact with pupils received the youth behavioral health training identified. This bill ensures that designated staff is trained to recognize and respond to signs of mental health challenges and substance use, strengthening opportunities to intervene and guide youth to appropriate resources and services."
- 2) **Reinstates provisions removed by Assembly Education Committee by gutting and amending a separate bill.** This bill amends a statute that was just added by SB 14 (Portantino, Chapter 672, Statutes of 2021) and took immediate effect on October 8, 2021. During the legislative process, the training certification requirement proposed by this bill was included in SB 14, but at a lower threshold of 50 percent. That provision was removed during the committee process in the Assembly. This bill, in the 2nd year of a session, would be a second attempt at the same requirement, only three months after the first attempt was chaptered without that requirement. However, it should be noted that this committee previously approved the training certification requirement when SB 14 was heard. That previous approval notwithstanding, *the committee may wish to consider whether it wants to approve such an approach.*
- 3) **Increasing occurrences of pupil mental health issues.** According to a Pew Research Center analysis of data from the 2017 National Survey on Drug Use and Health, in 2017, 3.2 million teens aged 12-17 said they had at least one depressive episode within the past 12 months. This is up by 1.2 million from the same survey conducted by the National Survey on Drug Use and Health in 2007. One-in-five (2.4 million) teenage girls reported experiencing one depressive episode in 2017, compared to 845,000 teenage boys. According to data from the Centers for Disease Control and Prevention, 13 percent of students in grades 9-12 in California in 2017 reported experiencing at least one depressive episode within the last 12 months. 32 percent felt sad or hopeless almost every day for 2 or more weeks in a row so that they stopped doing some usual activities within the past year, compared to 31 percent for the United States. 17 percent of pupils in grades 9-12 reported considering suicide attempts, while 9 percent reported they attempted suicide at least once within the past 12 month.

This trend is confirmed by data from the Office of Statewide Health Planning and Development. In 2019, emergency rooms throughout California treated 84,584

young patients' ages 13 to 21 who had a primary diagnosis involving mental health. That is up from 59,705 in 2012, a 42 percent increase.

- 3) ***COVID-19 has had an exacerbating effect on mental health issues.*** According to the 2020 report, "Roadmap for Resilience: The California Surgeon General's Report on Adverse Childhood Experiences, Toxic Stress, and Health," COVID-19 has only furthered the mental health issues children face. As the report notes, "For many children, the school is a bedrock of community belonging. The pandemic has not only disrupted children's academic opportunities and connections with their peers and educators, it has also surfaced new and difficult experiences in the home: fear, anxiety, financial distress, food and housing insecurity, and countless other challenges. Economic uncertainty is associated with increases in harsh parenting, which increases risk for child abuse and neglect, and the loss of friends and family through illness and isolation can also increase the total dose of acute stress and adversity and reduce the dose of buffering supports available from caregivers, educators, and other adults."
- 4) ***Existing mental health services in schools.*** Mental health services in schools include a broad range of services, settings, and strategies. Mental health services that are provided in schools may include academic counseling, brief interventions to address behavior problems, assessments and referrals to other systems. Providing mental health services in a school-based setting helps address barriers to learning and allows for early intervention activities in a non-stigmatizing environment.

As mentioned above, the governing board of any LEA that serves pupils in grades seven to twelve, inclusive, must adopt a policy on pupil suicide prevention, intervention, and postvention. The policy shall specifically address the needs of high-risk groups, including suicide awareness and prevention training for teachers, and ensure that a school employee acts within the authorization and scope of the employee's credential or license.

- 5) ***Previous mental health workgroup recommendations.*** Former Superintendent of Public Instruction (SPI), Tom Torlakson, convened a Student Mental Health Policy Workgroup, with funding from the California Mental Health Services Authority (CalMHSA), with the goals of assessing the current mental health needs of California students and gathering evidence to support its policy recommendations to the SPI and to the California Legislature.

The Workgroup issued several recommendations. Among them, the Workgroup recommends that LEAs provide professional development to educators and other community members, so they can identify mental health issues as they arise, especially during adolescence.

- 6) ***Other previous legislation.*** SB 428 (Pan, 2019) was similar to this bill and would have required all LEAs, by January 1, 2023, to certify to CDE that at least ten percent of classified and certificated staff having direct contact with children at each school site or two classified and two certificated staff having direct

contact with children at each school site, whichever is greater, have obtained similar training. SB 428 was vetoed by Governor Newsom, who stated:

“This bill would require the California Department of Education (CDE) to identify an evidence-based training program on youth mental health for Local Educational Agencies (LEAs) to use to train classified and certificated employees who have direct contact with students at each school site.

Providing support for students facing mental health is of critical importance. Multiple public agencies beyond CDE hold a responsibility for addressing the mental health crisis impacting young people today. That is why I worked with the Legislature to appropriate \$50 million in this year's budget to create the Mental Health Student Services Act.

Mental health partnerships among county mental health or behavioral health departments, school districts, charter schools and county offices of education are best positioned to address the diverse mental health needs of young people.”

SUPPORT

California Council of Community Behavioral Health Agencies (Sponsor)
California Student Board Member Association (Co-Sponsor)
Disability Rights California (Co-Sponsor)
Asian Americans for Community Involvement
Association of Community Human Service Agencies
California Access Coalition
California Alliance of Child and Family Services
California Association of Student Councils
California Consortium of Addiction Programs and Professionals
Children Now
County Behavioral Health Directors Association
Family Paths, INC.
Inseparable
Latino Coalition for A Healthy California
Mental Health America of Los Angeles
Pathpoint
Redwood Quality Management Company
Sycamores
YourMomCares

OPPOSITION

None received

-- END --

SENATE COMMITTEE ON EDUCATION

Senator Connie Leyva, Chair

2021 - 2022 Regular

Bill No: SB 579 **Hearing Date:** January 12, 2022
Author: Allen
Version: January 3, 2022
Urgency: No **Fiscal:** Yes
Consultant: Ian Johnson

Subject: Education finance: local control funding formula

SUMMARY

This bill, for the 2022-23 fiscal year, requires apportionments to local educational agencies (LEAs) under the Local Control Funding Formula (LCFF) to be calculated based on the greater of each LEA's 2019-20, 2021-22, or 2022-23 average daily attendance (ADA).

BACKGROUND

Existing law:

- 1) Establishes the LCFF with per-pupil funding targets, adjustments for different student grade levels, and supplemental funding for LEAs serving students who are low-income, English learners, or foster youth.
- 2) Requires annual apportionments to LEAs under the LCFF to be calculated based on the greater of current year or prior year ADA, as specified.
- 3) For the 2020-21 fiscal year, except for a new charter school that is beginning instruction in the 2020-21 school year, requires LCFF apportionments to be calculated based on ADA in the 2019-20 fiscal year, as specified.
- 4) For the 2020-21 fiscal year, allows LEAs to apply for either planned increases or actual planned growth to classroom-based student attendance, whichever is less, in lieu of their 2019-20 ADA, for purposes of their LCFF apportionment.

ANALYSIS

This bill, for the 2022-23 fiscal year, requires apportionments to LEAs under the LCFF to be calculated based on the greater of each LEA's 2019-20, 2021-22, or 2022-23 ADA.

STAFF COMMENTS

- 1) ***Need for the bill.*** According to the author's office, "COVID-19 has had a massive impact on schools and school districts across the state. Despite hopes that we would return to normal in 2021, the pandemic continues to affect our schools. With the situation in flux, districts need additional time to deal with

staffing, programs and their budgets. Extending hold harmless provisions will help safeguard California schools facing potential declining enrollment.”

- 2) **Components of the LCFF.** LEAs receive the bulk of their funding under the LCFF based on ADA in four grade spans, with each grade span having a unique base rate. Each year, the base rates are increased by a cost-of-living adjustment. The K-3 and high school base rates are further increased to recognize the costs associated with class size reduction in the very early grades and career technical education offerings in high school. The differences among the grade span rates are largely based on historical funding factors, and are intended to recognize the generally higher costs of education at higher grade levels.

The LCFF provides additional funds for particular student groups. Under the formula, each English-learning, low-income, and foster youth student within an LEA generates an additional 20 percent of the qualifying student’s grade span base rate. For LEAs whose English-learning, low-income, and foster youth student populations exceed 55 percent of their enrollment receive an additional 50 percent of the adjusted base grant for each student above the 55 percent threshold. For the purposes of generating supplemental and concentration funding, an LEA’s student count is based on a three-year rolling average, and students that meet more than one category (e.g. low-income and foster youth) are counted only once.

- 3) **California’s already declining enrollment has fallen more sharply due to the COVID-19 pandemic.** Enrollment in K-12 traditional public schools in California decreased by almost three percent, or 160,000 students, in 2020-21. By comparison, the largest statewide enrollment decline in the prior 20 years was one percent in 2008-09. About one third of this decline has been centralized in kindergarten. While ongoing causes for declining enrollment continued—declining birth rates and increased migration out of California—the significant drop in kindergarten enrollment was almost certainly due to the pandemic. Many parents appear to have opted out of enrolling their children in kindergarten in 2020-21; it is unknown whether that is because preschool and other private school options remained open for in-person care longer than traditional public schools or because parents opted to keep their children home. Attendance data in 2020-21 is not available as public schools did not track attendance amidst offering virtual and/or hybrid learning for much of the year. The Legislative Analyst’s Office estimates an additional decrease of about 170,000 students by 2025-26 due to declining births.

While enrollment data for the 2021-22 school year will not be publically available until this spring, the ongoing uncertainty around COVID-19, its potential variants, and vaccination rates make the future for school districts particularly uncertain.

- 4) **In response to the pandemic, attendance levels have been frozen since 2020-21 to curb the financial impact to schools.** In an effort to stabilize school funding, the 2020-21 Budget Act included a hold-harmless clause for calculating LCFF funding for the 2020-21 year by allowing 2020-21 funding to be based on 2019-20 ADA rather than 2020-21 ADA, which was expected to decline

as a result of COVID-19. Subsequent legislation amended the Budget Act to provide 2020-21 growth funding for LEAs that anticipated enrollment or ADA growth.

The 2020-21 Budget also waived the annual instructional minute requirements for the 2020-21 school year, and maintained statutory minimum daily instructional minute requirements. In addition, LEAs were permitted to meet the minimum instructional minute requirements in the 2020-21 school year through in-person instruction or a combination of in-person instruction and distance learning.

While the 2021-22 Budget Act does not include a similar ADA hold-harmless provision, existing law specifies that school district LCFF funding is calculated based on the greater of prior year or current year ADA. Therefore, the 2021-22 school year is the second year in a row that districts have been held harmless from student enrollment and/or attendance declines. This bill is an attempt to provide increased fiscal certainty for school districts by freezing their ADA for purposes of their LCFF apportionments for a third consecutive year.

- 5) ***School districts continue to express concerns of a fiscal cliff in the future.*** As the author notes, the impacts of the COVID-19 pandemic on LEAs and their students are myriad. One result has been an increased difficulty in assessing and determining enrollment and attendance trajectories. School districts have expressed ongoing concern that a fiscal cliff caused by declining enrollment and rising mandatory obligations necessitates both short-term and long-term solutions to ensure their sustainability.

In testimony at a November 30, 2021 hearing of the Assembly Education Committee and Assembly Budget Subcommittee #2 on Education Finance, Michael Fine, Chief Executive Officer of the Fiscal Crisis Management and Assistance Team (FCMAT), stated that each decline of 120 students at the TK-3 level in a school district results in lost revenue of \$1.2 million. However, even utilizing cost reduction measures such as teacher layoffs and reductions in other areas, a typical district would only be able to mitigate about \$430,000 of that revenue loss. This would leave districts with no option but to spend budgetary reserves or resort to deficit spending.

- 6) ***Amidst school districts' concerns, the state's mandatory spending on schools and community colleges is projected to reach all-time highs.*** The Legislative Analyst's Office (LAO), in its 2022-23 Budget Fiscal Outlook, projects that the Proposition 98 guarantee—the constitutional formula for determining the amount of funding for schools and community colleges—will increase dramatically in all three years of the budget window. According to the LAO, "After accounting for a 5.35 percent statutory cost-of-living adjustment (COLA), deposits into the Proposition 98 reserve, and various other adjustments, we estimate the Legislature has \$9.5 billion in ongoing funds available for allocation in 2022-23. In addition, after accounting for the upward revisions in 2020-21 and 2021-22 and various smaller adjustments, we estimate that \$10.2 billion in one-time funds are available. Across the three-year period, the Legislature has \$19.7 billion to allocate for its school and community college priorities in the upcoming budget cycle. This estimate of available funding exceeds the amount

in any previous outlook our office has produced.” The 2022-23 Budget: Fiscal Outlook for Schools and Community Colleges

On the surface, concerns at the local level about a fiscal cliff can seem speculative because state funding is projected to increase. However, it is important to note that school district decisions about staffing, programs, and finances must be made well in advance of the state’s budget adoption. For example, districts with declining enrollment needing to reduce staff must provide official layoff notices no later than March 15—more than three months before the state budget is passed by the Legislature and signed by the Governor. This means that even in a “typical” year, a school district must develop its fiscal and programmatic plans without knowing exactly how much state funding will be available, what its share of LCFF vs categorical and ongoing vs one-time funding will be, and what new state or federal requirements may be adopted. Because of these unknowns—and the impact of the pandemic—a significant portion of school districts find themselves needing to plan for reductions regardless of what early state funding projections look like.

- 7) ***Does continuing to freeze enrollment that was already declining before the pandemic exacerbate school districts’ fiscal cliff?*** Despite the merits of this bill and other efforts to help stabilize school district funding during the pandemic, legacy hold harmless provisions can undermine the goals of funding formulas by locking in allocations based on old polices rather than current student needs. Hold harmless policies that exist longer than is absolutely necessary, in this case addressing enrollment and attendance declines, can end up benefiting school districts with fewer students and needs at the expense of higher need districts in the long run. This is not only true for the LCFF, which was designed to provide additional funding for districts serving English-learning, low-income, and foster youth students, but also for other attendance-based programs, such as special education.

The committee may wish to consider whether another year of freezing ADA simply results in school districts with perpetual declining enrollment postponing a right-sizing of their programs and budgets.

SUPPORT

California School Boards Association
Los Angeles Unified School District

OPPOSITION

None received

-- END --

This bill requires DSS to establish a program to provide tuition assistance to postgraduate students who are currently employed by, or who commit to seeking employment in, a county probation department serving foster youth and providing court-ordered placement services. Specifically, this bill:

- 1) Requires DSS to establish a program to provide tuition assistance to individuals pursuing postgraduate degrees who are currently employed by, or who commit to seeking employment in, a qualifying agency serving foster youth.
- 2) Requires the tuition assistance program to do all of the following:
 - a) Facilitate postgraduate degrees for eligible individuals who directly work with foster youth and provide court-ordered placement services.
 - b) Prioritize the enrollment of eligible individuals who reflect the diversity of the state's foster youth population.
 - c) Prioritize the enrollment of current state, county, or tribal probation placement staff.
- 3) Requires DSS, upon appropriation of federal Title IV-E funds, to provide tuition assistance to eligible individuals while they attend any graduate school at the University of California, the California State University, or an independent institution of higher education.
- 4) Provides that an eligible individual is to apply to DSS for tuition assistance in a manner prescribed by DSS.
- 5) Requires DSS, on or before January 1, 2023, to adopt regulations to implement the provisions of this bill, and requires the regulations to include, but not be limited to, regulations related to the application criteria, the application process, data collection, and accountability for program expenditures.
- 6) Includes the following definitions:
 - a) "Eligible individual" means a person currently employed by a qualifying agency, or a person who meets the qualifications for employment in a qualifying agency.
 - b) "Qualifying agency" means a county probation department serving foster youth and providing court-ordered placement services.
 - c) "Tuition assistance" means a stipend or reimbursement for tuition, fees, books, and travel, as developed by DSS.

STAFF COMMENTS

- 1) **Need for the bill.** According to the author, "SB 622 will attract more highly trained probation officers who are attuned to the needs of foster children by establishing a tuition assistance program for graduate students who commit to

employment in a probation department that serves foster youth. It builds upon the already successful California Social Work Education Center (CalSWEC) program that, in contract with the California Department of Social Services (CDSS), offers financial aid to Master of Social Work students in exchange for working in a public child welfare agency for at least 2 years. Once established, this new program will be incredibly cost-effective as each student's tuition stipend would be funded solely through federal Title IV-E monies. Additionally, in order to create a representative and knowledgeable cohort, this bill will direct CDSS to prioritize applicants who reflect the diversity of the state's foster youth population as well as current state, county, or tribal probation placement staff. The expansion to include financial aid opportunities for future foster youth placement probation officers is a logical next step in ensuring children that require care across our state are assisted by exceedingly qualified individuals."

- 2) ***Federal Title IV-E Stipend Program.*** As noted in the Senate Human Services Committee's analysis of this bill, through the federal Child Welfare and Adoption Assistance Act of 1980, Title IV-E of the Social Security Act (Title IV-E) provides federal matching funds for state administering foster care and adoption assistance programs. In addition to federal matching funds for state foster care programs, the Title IV-E Stipend Program was created to support training and education opportunities for current and prospective child welfare professionals.

The Title IV Stipend Program supports social work education to build and strengthen the child welfare workforce by disbursing funds through university partnerships that provide stipends to students pursuing a Bachelor's of Social Work and Master's of Social Work and who are employed or preparing for employment in a public child welfare agency. This allows students at participating universities across the country to receive stipends to help offset the cost of higher education in exchange for commitment of a career with a public child welfare agency. In California, the Title-IV Stipend Program is operated through the California Social Work Education Center (CalSWEC; see # 3 below).

This bill seeks to expand Title IV-E stipend funding to a person currently employed by, or who plans to be employed by, a county probation department serving foster youth and providing court-ordered placement services when the person attends any graduate school at the University of California, the California State University, or an independent institution of higher education. The purpose of this bill appears consistent with that of the Title IV-E Stipend Program.

However, the current Title-IV Stipend Program appears tied to specific educational opportunities, i.e. social work programs that increase the individual's knowledge, understanding, and skill set for providing services to foster youth. This bill does not specifically limit the area of study in which a participating student could seek their graduate degree. According to the author, the intent is to mirror the provisions of CalSWEC's Title IV-E program, limiting the program to those seeking a degree in social work. The author is working with DSS and stakeholders to clarify the ways the program created by this bill could mirror and connect with CalSWEC's Title IV-E program (it isn't as easy as expanding CalSWEC to include probation officers because probation officers don't

necessarily earn a degree in social work).

- 3) **California Social Work Education Center (CaISWEC).** According to the Senate Human Services Committee's analysis of this bill, CaISWEC began in 1990 as a result of the academic community and the public social services sector joining together to improve the commitment of social workers to work in the public sector with vulnerable and disadvantaged children and families. CaISWEC followed a successful partnership wherein the Bay Area's county social services agencies and local graduate schools of social work forming a coalition focused on the improvement of services and an enhanced inter-county collaboration. This effort resulted in the Bay Area Social Services Consortium, which fully formed in 1987 as a partnership between seven county departments of social services and the School of Social Welfare at the University of California, Berkley. Within a year it expanded to include nine county departments and three Bay Area schools of social work.

In 1989, the California Chapter of the National Association of Social Workers, the County Welfare Directors Association, and the state's ten graduate schools of social work came together to form a consortium of private and public agencies dedicated to developing a professional social service workforce to effectively serve California's diverse population. The goal of this partnerships was to redirect Master's of Social Work education in California toward increasing the numbers and improving the preparation of social workers for working in public services. Today, CaISWEC has grown to include 22 schools of social work across California, county and Tribal agencies, and other non-profits. Additionally, while CaISWEC initially focused on child welfare, it has since broadened its school to include the fields of mental/behavioral health and aging. CaISWEC's current mission states CaISWEC "facilitates and supports statewide partnerships for the education and training of social workers to ensure culturally responsive, effective, and high-quality health and social service delivery to the people of California."

- 4) **Existing tuition assistance programs for graduate students.** Tuition assistance programs for graduate students are extremely limited. In addition to CaISWEC (and loans), other tuition assistance programs include the Federal Work-Study Program, the federal Teacher Education Assistance for College and Higher Education (TEACH) Grants, and federal Pell Grants (only for some graduate teacher credential programs). California no longer funds the former Assumption Program of Loans for Education (for teachers). Staff notes that the Federal Work Study Program is the only tuition assistance program that is not linked to a specific area of study or professional field.
- 5) **Uses of tuition assistance.** This bill defines "tuition assistance" as a stipend or reimbursement for tuition, fees, books, and travel, as developed by DSS. The author may wish to consider also allowing tuition assistance to be used to support students' basic needs, such as food and housing.

SUPPORT

Chief Probation Officers of California

OPPOSITION

None received

-- END --