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## SENATE COMMITTEE ON APPROPRIATIONS

Senator Anthony Portantino, Chair  
2021 - 2022 Regular Session

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### **AB 2774 (Akilah Weber) - Education finance: local control funding formula: supplemental grants: lowest performing pupil subgroup or subgroups**

**Version:** August 1, 2022

**Urgency:** No

**Hearing Date:** August 8, 2022

**Policy Vote:** ED. 7 - 0

**Mandate:** No

**Consultant:** Lenin Del Castillo

**Bill Summary:** This bill expands the definition of "unduplicated pupil" for Local Control Funding Formula (LCFF) purposes by adding a pupil who is classified as a member of the lowest performing subgroup or subgroups, as defined, commencing with the 2023-24 fiscal year.

**Fiscal Impact:** This bill would create ongoing Proposition 98 General Fund costs in the mid-hundreds of millions of dollars each year to provide additional LCFF funding for the lowest performing subgroup. There would be additional Proposition 98 General Fund costs in the hundreds of millions of dollars each year to the extent that multiple subgroups qualify for funding in future years.

**Background:** Existing law establishes the LCFF which provides school districts, charter schools, and county offices of education (COEs) with a base level of funding plus additional funding based on the enrollment of students who are either English learners, low income, or in foster care. Students that fall into more than one category are counted only once for LCFF purposes.

The base grant target rates for each grade span for the 2021-22 fiscal year are as follows:

1. \$8,935 for grades K-3 (includes a 10.4 percent adjustment for class size reduction);
2. \$8,215 for grades 4-6;
3. \$8,458 for grades 7-8;
4. \$10,057 for grades 9-12 (includes a 2.6 percent adjustment for career technical education).

For each unduplicated pupil, a district receives a supplemental grant equal to 20 percent of its adjusted base grant. A district serving a student population with more than 55 percent of unduplicated pupils receives concentration grant funding equal to 50 percent of the adjusted base grant for each unduplicated pupil above the 55 percent threshold.

**Proposed Law:** This bill requires, for school districts, charter schools, and COEs, the LCFF definition of "unduplicated pupil" to include a pupil who is classified as a member of the lowest performing subgroup or subgroups.

This bill requires the SPI to annually identify the lowest performing subgroup or subgroups based on the most recently available results of the California Assessment of Student Performance and Progress (CAASPP) Smarter Balanced Summative Assessments for English language arts and mathematics. Lowest performing shall be defined as the subgroup with the lowest percent of students who scored in level 3 and 4 on the CAASPP Smarter Balanced Summative Assessments for ELA and/or mathematics. In the event that a different subgroup is the lowest performing in ELA than in mathematics, a pupil belonging to either subgroup shall be considered an unduplicated pupil

This bill excludes the following subgroups from being identified pursuant to this calculation: a subgroup already identified for LCFF supplemental funding (English learners, low-income pupils, and foster youth); and any subgroup specifically receiving supplemental funding on a per-pupil basis through state or federal resources received from a source other than LCFF (pupils with disabilities).

This bill provides that a subgroup identified in the 2023–24 fiscal year as a lowest performing subgroup shall continue to receive supplemental funding until its performance meets or exceeds the highest performing subgroup of pupils in the state. Highest performing" shall be defined as the subgroup with the highest percent of students who scored in level 3 and 4 on the CAASPP Smarter Balanced Summative Assessments for ELA and/or mathematics. In the event that a different subgroup is the highest performing in ELA than in mathematics, for the purposes of this section, the lowest performing subgroup shall be compared to the highest performing subgroup in each specific subject area.

**Related Legislation:** AB 2685 (Weber, 2020) would have augmented the definition of "unduplicated pupil" for LCFF purposes by adding a pupil who is classified as a member of the lowest performing subgroup or subgroups, as defined. This bill was held in the Assembly Education Committee.

AB 575 (Weber, 2019) would have augmented the definition of "unduplicated pupil" for LCFF purposes by adding a pupil who is classified as a member of the lowest performing subgroup or subgroups, as defined. This bill was held in the Assembly Education Committee.

**Staff Comments:** This bill adds a pupil who is classified as a member of the lowest performing subgroup, excluding any subgroups that already receive supplemental funding on a per-pupil basis (from the LCFF or other state and federal programs). Based on the bill as currently drafted, the only pupil subgroups not meeting the exclusion are ethnic subgroups. Currently, the lowest-performing ethnic group is Black/African American. Therefore, this bill would add Black/African American pupils to the unduplicated pupil count for LCFF purposes.