

# **Policy Brief**

## September 2017

### AB 1321 (WEBER): EDUCATION FINANCE: FISCAL TRANSPARENCY

**POSITION:** On The Chamber Committee on Education and Workforce Development July 19th supported AB1321 on July 19, 2017.

STATUS: Died.

#### AT-A-GLANCE

AB 1321 requires that the Every Student Succeeds Act (ESSA) state report card contain per-pupil spending of federal, state, and local funds, including actual personnel and nonpersonnel spending for each local education agency (LEA) and school in the state.

#### **SUMMARY**

AB 1321 would require the Superintendent of Public Instruction (SPI), the Controller, and the Director of Finance to guarantee that the actual personnel and nonpersonnel spending of funds at the federal, state, and local level, is included in the reports of per-pupil expenditures at the aforementioned three governmental levels. The Every Student Succeeds Act requires that this spending would be disaggregated by the source of the funds for each LEA and school in California.

Therefore, the Superintendent would have to guarantee that every LEA include the data in its annual report. Moreover, the Superintendent, the Controller, and the Director of Finance would create the procedures through which the spending can be reported and the manner in which the disaggregation of the local control funding formula funds takes place. The development and adoption of new standards for the local budgets would have to also be considered by March 1<sup>st</sup>. The bill would be classified as a statemandated local program, and there are statutory provisions enabling the state to reimburse "certain costs mandated by the state" to these local agencies.

#### **ANALYSIS**

The author's office has stated that this bill would comply with the Every Student Succeeds Act (ESSA); however, the bill goes further through its requirement of disaggregated reporting of LEA-level spending by base, supplemental, and concentration grants, which are the components of the local control funding formula. Therefore the bill would provide more "transparency" regarding the spending associated with these grants, and according to its proponents, allow the public to know if the funds designated for these students are actually going to them. Governor Jerry Brown and some opponents have argued that this type of oversight would have nearly no return value and would incur added costs to the state. Additionally, some may see that the bill is prematurely "codifying" the federal law into the state law, as the federal government has already permitted that state and local agencies get an additional year to implement perpupil expenditure reporting.

#### **SUPPORT**

- Children Now (co-sponsor)
- Education Trust-West (co-sponsor)
- Alliance for a Better Community

- Alliance for Education Solutions
- Brighter Beginnings
- California Charter Schools Association
- California Competes
- California Partnership
- Californians Together
- Cesar Chavez Foundation
- Children's Defense Fund
- Educate78
- EdVoice
- Families in Schools
- Families Now
- Focus on Family Foundation
- GO Public Schools
- Harbour Consulting
- LA Voice
- Legal Services for Children
- Los Angeles Urban League
- Mexican American Opportunity Foundation
- National Center for Youth Law
- National Council of La Raza
- Orange County Business Council
- Partnership for Los Angeles Schools
- Riverside County Alliance for Boys and Men of Color
- San Bernardino School District African American Advisory Committee
- San Carlos Chamber of Commerce
- Teach for America California
- The LA Trust for Children's Health
- United Ways of California
- Youth Alliance

#### **OPPOSITION**

- Association of California School Administrators
- California Association of Suburban School Districts
- California County Superintendents Educational Services Association
- California Association of School Business Officials
- California Teachers Association
- Small School Districts' Association