SENATE COMMITTEE ON APPROPRIATIONS

Senator Anthony Portantino, Chair 2021 - 2022 Regular Session

SB 579 (Allen) - Education finance: local control funding formula

Version: January 3, 2022 **Policy Vote:** ED. 6 - 0

Urgency: No Mandate: No

Hearing Date: January 20, 2022 Consultant: Lenin Del Castillo

Bill Summary: This bill, for the 2022-23 fiscal year, requires Local Control Funding Formula (LCFF) funds to be calculated based on the greater of a local educational agency's 2019-20, 2021-22, or 2022-23 average daily attendance (ADA).

****** ANALYSIS ADDENDUM - SUSPENSE FILE ********

The following information is revised to reflect amendments adopted by the committee on January 20, 2022

Fiscal Impact: The Governor's Budget proposes to expand the LCFF declining enrollment adjustment. Under current law, school districts are funded according to their attendance in the current or prior year, whichever is higher. The Governor's Budget proposal would credit districts with their average attendance over the three years preceding the current year if it exceeds their current and prior year attendance, resulting in an estimated \$1.2 billion each year. This bill would likely result in similar Proposition 98 General Fund costs in the high hundreds of millions, potentially over \$1 billion, per year. The current year changes for charter schools will result in additional, unknown Proposition 98 General Fund costs, which are likely to be significant.

Author Amendments: Add hold harmless protections for charter school attendance in the 2021-22 fiscal year.