

Date of Hearing: July 1, 2015

ASSEMBLY COMMITTEE ON EDUCATION

Patrick O'Donnell, Chair

SB 597 (Huff) – As Amended May 26, 2015

SENATE VOTE: 36-0

SUBJECT: Pupil attendance: interdistrict transfers.

SUMMARY: Provides a one year extension of the sunset date for the District of Choice (DOC) Program and requires the Legislative Analyst Office (LAO) to complete their evaluation of the program by January 31, 2016.

EXISTING LAW:

- 1) Under the DOC authorization, established by AB 19 (Quackenbush), Chapter 160, Statutes of 1993, a school board may declare the district to be a DOC willing to accept a specified number of inter-district transfers. A DOC is not required to admit pupils but it is required to select those pupils that it does elect to admit through a random process that does not choose pupils based upon academic or athletic talent. Either the district of residence or DOC may prevent a transfer under this law if the transfer would exacerbate racial segregation. Each DOC is required to keep records of: 1) The number of requests granted, denied, or withdrawn as well as the reasons for the denials; 2) The number of pupils transferred out of the district; 3) The number of pupils transferred into the district; 4) The race, ethnicity, gender, socioeconomic status and the district of residence for each student in #2 and #3 above; and, 5) The number of pupils in #2 and #3 above who are English Learners or individuals with exceptional needs. The Legislative Analyst is required to make specified information available to the Governor and the Legislature annually and to complete an evaluation by November 1, 2014. The DOC program becomes inoperative on July 1, 2016 and repealed on January 1, 2017. (Education Code Section 48300-48316)
- 2) Requires a DOC to give priority for attendance to siblings of children already in attendance in that district, and authorizes a DOC to give priority for attendance to children of military personnel. (Education Code 48306)

FISCAL EFFECT: According to the Senate Appropriations Committee, pursuant to Senate Rule 28.8, negligible state costs.

COMMENTS: Under the DOC law, the governing board of any school district may declare the district to be a DOC willing to accept a specified number of inter-district transfers. A DOC is not required to admit pupils but is required to select those pupils that it does elect to admit through a random process and they are prohibited from choosing pupils based upon academic or athletic talent.

DOC data is difficult to track. Under current law, districts establish themselves as a DOC by adopting a local school board resolution. Required data collection on DOCs and the numbers of transfers they accept or deny began in 2008 and this data is required to be reported to the Superintendent of Public Instruction (SPI), the county board of education and the Department of Finance annually.

SB 80 (Committee on Budget and Fiscal Review), Chapter 174, Statutes of 2007, required the California Department of Education (CDE) to report to the Legislature by November 30, 2008 on the effectiveness of the interdistrict transfer program using data provided by school districts to the SPI on the disposition of all interdistrict transfer requests. CDE did not provide the complete report due to lack of funding. In lieu of the report, CDE conducted a survey of 100 schools that receive the most inter-district transfers in the state and found only three districts that have elected to declare themselves a DOC. It is important to note the survey was not a complete assessment of all DOCs. The CDE report recommends, however, "Given that only 3.9% of the responding districts indicated an active participation in the DOC program, it seems to be a small program with very limited impact. The CDE sees no significant negative consequences to the program's lapse as scheduled for July 1, 2009."

Interestingly, in a report by the CDE in 2003, the only solid indicator of a district being a DOC was if the district was a basic aid district that received state apportionment for its transfer students. CDE had to use district self-identification and a survey done by the California Association of School Business Officials to determine the total number of DOCs. As of 2002, CDE was able to identify 18 small, mostly rural districts as DOCs. One-half of these districts were basic aid districts. In 2007, it was reported that there were 11 basic aid districts that were DOCs, according to CDE.

An evaluation was due to the Legislature by the Legislative Analyst's Office (LAO) on November 1, 2014. Due to lack of data sharing between various agencies, the evaluation did not get completed. The intent of this bill is to extend the sunset date of the DOC program by one year, so that the LAO's evaluation can be completed by January 31, 2016 and the Legislature will have one more year to gather information before the program's sunset date.

Historical Context of Racial Inequities in the DOC program: Rowland Unified School District borders Walnut Valley Unified School District, which is a DOC. As of 2009, 1,649 students had transferred out of Rowland Unified and transferred into Walnut Valley Unified under the DOC law. According to CDE data, the overall demographic characteristics of Rowland Unified in 2008-09 included 60.9% Hispanic students and 20.9% Asian students. Rowland Unified School District calculated, based on 727 students of the 1,649 total students who had transferred out of the district under the DOC law in 2009, that Walnut Valley had enrolled 52% Asian students and only 20% Hispanic students from Rowland Unified. One could argue that the percentages of students, by ethnic background, who transferred out of Rowland Unified do not appear to be random since they do not reflect the demographic characteristics of the district overall. In fact, the percentage of Asian students who transferred out of Rowland Unified was more than twice the total percentage of Asian students in the entire district. Conversely, the percentage of Hispanic students who transferred out of Rowland Unified was 1/3 of the total percentage of Hispanic students in the entire district. In 2006-07, Rowland Unified reached the maximum cap of 10%, and the district utilized the authority granted in statute to stop any future students from transferring out of their district under the DOC law, due to concerns that Walnut Valley's DOC program had negatively impacted the demographic profile of Rowland Unified. This type of example demonstrates the importance of quality evaluation data about the DOC program.

Differences between the DOC program and other interdistrict transfer options. Unlike the main interdistrict transfer law, the DOC law does not require agreement between the district of residence and the receiving district in order for the receiving district (DOC) to admit interdistrict

transfers. The district of residence has little say in the transfer process, except, districts with 50,000 or less ADA may limit the maximum number of transfers each year to 3% of their ADA and may limit transfers for the duration of the program to 10% of their ADA. Districts with more than 50,000 pupils in attendance may refuse to transfer more than 1% of their ADA. A district of residence may also prevent a transfer under this law if the transfer would have a negative impact on a court-ordered or voluntary desegregation plan or the racial and ethnic balance of the district.

Other differences include: A DOC that is also a basic aid district is apportioned 70% of the amount the state revenue limit for ADA that otherwise would have gone to the district of residence (the remaining 30% is a savings in revenue for the state). Transfer priority is given to the siblings of transfer students already attending school in the DOC. Students with special needs are admitted despite additional incurred costs unless the transfer of those students would require the creation of a new program.

Previous legislation: SB 680 (Romero & Huff), Chapter 198, Statutes of 2009, extended the sunset and repeal date for the School District of Choice (DOC) program from July 1, 2009 to July 1, 2016 and January 1, 2010 to January 1, 2017, respectively; repealed the prohibition on new districts electing to become DOCs; and, required the Legislative Analyst (LAO) to complete an evaluation of the DOC program and report to the Legislature by November 1, 2014.

AB 1407 (Huffman) from 2009, was held on the Assembly Appropriations Committee Suspense file, would have extended the sunset and repeal dates for the DOC program for 5 years and required a census report on DOC by CDE by November 2010.

AB 270 (Huff) from 2007, extended the authority for DOC inter-district transfers from July 1, 2007 to July 1, 2009, prohibited additional districts from becoming DOCs, and required school districts (electing to accept transfers) to maintain records on the number of requests it receives and annually report the number of requests it receives to the SPI. The language in this bill was incorporated into SB 80 (Committee on Budget and Fiscal Review), Chapter 174, Statutes of 2007.

AB 97 (Nation), Chapter 21, Statutes of 2004, extended the sunset date for one year for the DOC authorization and required the SPI to continue the calculation for the Special Disabilities Adjustment using the current incidence multiplier to allow special education local plan areas to continue to receive funds provided through 2003-04 until a new multiplier is calculated.

AB 1993 (Quackenbush), Chapter 160, Statutes of 1993, established school DOC and allowed the governing board of any school district to declare the district to be a DOC willing to accept a specified number of inter-district transfers.

REGISTERED SUPPORT / OPPOSITION:

Support

Alexander Valley Union School District
College School District
Columbine School District
EdVoice

Elk Hills School District
Glendora Unified School District
Inyo County Superintendent of Schools
Pine Ridge Elementary School District
Riverside Unified School District
Round Valley School STEP Foundation
Small School Districts' Association

Opposition

None on file.

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