LAO

August 30, 2023

Hon. Rob Bonta Attorney General 1300 I Street, 17th Floor Sacramento, California 95814

Attention: Ms. Anabel Renteria Initiative Coordinator

Dear Attorney General Bonta:

Pursuant to Elections Code Section 9005, we have reviewed the proposed constitutional initiative (A.G. File No. 23-0009) related to high-quality public schools.

Background

State Required to Provide a Public School System. The California Constitution requires the state to organize and fund a system of public schools that operates at least six months per year. Children in California currently may enroll in free public schools in transitional kindergarten, kindergarten, and grades 1 through 12 (K-12). The public school system consists primarily of school districts and charter schools, as well as a small number of schools operated by county offices of education and a few schools operated directly by the state.

State Is the Primary Source of Funding for Schools. About 60 percent of the total funding for K-12 education comes from the state General Fund. The vast majority of this funding is provided to public schools through a per-pupil formula. The remaining funding is from a combination of local property taxes and federal funding.

State Law Regulates School Operations in Many Areas. For example, the law requires school district students to take standardized tests in several subjects, specifies the courses that students must complete to earn a high school diploma, and specifies the reasons a district may suspend or expel a student. State law also sets requirements related to school employees. For example, the law requires districts to hire teachers with state teaching credentials, establishes a number of steps districts must follow before dismissing or laying off employees, and sets forth many rules for negotiating over pay and job responsibilities. The state exempts charter schools from many laws pertaining to school districts, in exchange for following the terms of their charters. For example, charter schools decide locally on their governance structure and have more flexibility in developing their budgets. On the other hand, charter schools remain subject to a number of state requirements. For example, charter school students take the same standardized tests as school district students.

Local Governing Boards Have Autonomy Over Key Implementation Details. Although state law sets requirements for various aspects of how schools should operate, local governing bodies of school districts, charter schools, and county offices of education have discretion over how to

> Legislative Analyst's Office California Legislature Gabriel Petek, Legislative Analyst 925 L Street, Suite 1000, Sacramento, CA 95814 (916) 445-4656

implement their educational programs. For example, local governing boards decide on the number of credentialed or classified staff to hire and determine class sizes at each of their school sites. Local governing boards also generally have discretion (within state requirements) over the operation of the schools in their boundaries (including school site location), equipment purchases, extracurricular activities, and other functions essential to the day-to-day operation of schools within the entities' boundaries.

Proposal

Requires the State to Provide Students With "High-Quality" Public Schools. This measure amends the California Constitution to require the state to provide all public school students with high-quality public schools. The measure defines high-quality public schools as "schools that equip [public school students] with the tools necessary to fully participate in our economy, our democracy, and our society."

Fiscal Effects

No Direct Fiscal Effect on the State or Schools. The measure would have no direct fiscal effect on the state or public schools. This is because the measure does not require the state or local governing boards to make any specific changes to current policies or programs. The initiative could result in costs to the state and public schools, depending on how the measure is legally interpreted by the courts and implemented by the state and public schools. As such, these effects are unknown and highly uncertain.

Summary of Fiscal Effects. This measure would have the following fiscal effects:

- No direct fiscal effects on the state or public schools because the measure does not require any change to current policies or programs.
- Depending on how the measure is legally interpreted by the courts and implemented by the state and public schools, there could be fiscal effects that are unknown and highly uncertain.

Sincerely,

for Gabriel Petek Legislative Analyst

for Joe Stephenshaw Director of Finance 2