



Charter School Categorical Block Grant Option



Original Proposals

- **Administration's Proposal.** Governor proposed providing charter schools with \$68 million to compensate for their lower categorical participation rates. Proposal "delinked" the block grant from any underlying set of categorical programs, thereby creating administrative confusion at every level and the potential for double dipping.
- **LAO Recommendation.** For most K-12 Proposition 98 categorical programs, the LAO recommended providing charter schools with a share of funding equal to the share of students they serve. The recommendation required charter schools to continue applying separately for ten programs and prohibited them from receiving funds for six county programs. The proposal was cost-neutral from the state's perspective, though would have resulted in slight redistribution from districts/charter schools with high categorical participation rates to charter schools with low categorical participation rates.



LAO Option

- Funds at Governor's proposed level but identifies categorical programs in and out of the block grant.
- Block grant would include 23 programs associated with \$2.4 billion in categorical funding, of which charter schools' share would be \$68 million. Charters would receive \$275 per general student (the current-year rate raised by a cost-of-living adjustment) and an additional \$137 per English learner and low-income student (a student can be double-counted).
 - Of the 23 programs, 17 programs currently are in the block grant, 4 are in the block grant growth calculation, and 2 are newly added.
- Charter schools would have to apply separately for 24 programs associated with \$9.4 billion in categorical funding.
- Charter schools would be prohibited from applying for eight programs associated with \$103 million.