

CALIFORNIA CODES
EDUCATION CODE
SECTION 2550-2558.6

2550. For each fiscal year, the Superintendent shall make the following computations to determine the amount to be allocated for direct services and other purposes provided by county superintendents of **schools**:

(a) For programs operated pursuant to subdivision (a) of Section 14054, the Superintendent shall:

(1) Determine the allowances that county superintendents received per unit of average daily attendance in the prior fiscal year. The Superintendent shall increase each amount by a percentage equal to the inflation allowance calculated for the current fiscal year pursuant to Section 2557.

(2) Multiply each amount determined in paragraph (1) by the actual number of units of average daily attendance in the prior fiscal year for programs maintained by each county superintendent. For purposes of this paragraph, the number of units of average daily attendance shall include only units generated by elementary districts with less than 901 units of average daily attendance, high school districts with less than 301 units of average daily attendance, and unified school districts with less than 1,501 units of average daily attendance within each county superintendent's jurisdiction.

(b) For programs operated pursuant to subdivision (b) of Section 14054, the Superintendent shall:

(1) (A) For the 1999-2000 fiscal year, determine the rate per unit of average daily attendance calculated for each county office of **education** pursuant to subdivision (b) of Section 2567 and increase each rate by a percentage equal to the inflation allowance calculated in Section 2557.

(B) For the 2000-01 fiscal year, determine the rate per unit of average daily attendance calculated for each county office of **education** pursuant to subdivision (b) of Section 2568 and increase each rate by a percentage equal to the inflation allowance calculated in Section 2557.

(C) For the 2001-02 fiscal year and each fiscal year thereafter, determine the allowances that county superintendents received per unit of average daily attendance in the prior fiscal year. The Superintendent shall increase each amount by a percentage equal to the inflation allowance calculated for the current fiscal year pursuant to Section 2557.

(2) (A) Multiply each amount determined in paragraph (1) by the units of average daily attendance in the current fiscal year for programs for kindergarten and grades 1 to 12, inclusive, maintained by each county superintendent. For the purposes of this paragraph, average daily attendance shall include only the total units of average daily attendance credited to all elementary, high school, and unified school districts within each county superintendent's jurisdiction and to the county superintendent.

(B) For purposes of this paragraph, in each of the 2008-09, 2009-10, 2010-11, 2011-12, 2012-13, 2013-14, and 2014-15 fiscal years, the units of average daily attendance in each of those fiscal years for programs for kindergarten and grades 1 to 12, inclusive, maintained by each county superintendent shall include the same amount of average daily attendance for classes for adults and regional occupational centers and programs used in the calculation

pursuant to this subdivision for the 2007-08 fiscal year.

2550.1. (a) Commencing with the 2002-03 fiscal year, and each fiscal year thereafter, for juvenile court school programs operated by county superintendents of **schools** pursuant to Article 2.5 (commencing with Section 48645) of Chapter 4 of Part 27 and for county community school programs operated by county superintendents of **schools** pursuant to Chapter 6.5 (commencing with Section 1980) of Part 2, the Superintendent of Public Instruction shall make the following computations:

(1) Apply an inflation adjustment equal to the percentage increase applied to the statewide average revenue limit for school districts pursuant to Section 42238.1, multiplied by the revenue limits of the prior fiscal year for each juvenile court school program and for each county community school program, including programs with average daily attendance for pupils enrolled pursuant to subdivision (c) of Section 1981 that exceeds the average daily attendance claimed in the 1991-92 fiscal year.

(2) Multiply the revenue limits per unit of average daily attendance computed in paragraph (1) by the number of units of average daily attendance for each juvenile court school program and county community school program operated in that same fiscal year.

(b) Cost-of-living adjustments to revenue limits per unit average daily attendance in juvenile court school and county community school programs operated by county superintendents of **schools** shall be computed pursuant to paragraph (1) of subdivision (a) in fiscal years in which appropriations are provided for that purpose.

2550.2. The Superintendent of Public Instruction shall make the following computations to determine the revenue limits for juvenile court school programs operated by county superintendents of **schools** pursuant to Article 2.5 (commencing with Section 48645) of Chapter 4 of Part 27:

(a) For the 1985-86 fiscal year and each fiscal year thereafter, add to the prior fiscal year revenue limit per unit of average daily attendance for juvenile court school programs all of the following amounts:

(1) An equalization adjustment for revenue limits per unit of average daily attendance that in the 1988-89 fiscal year were below the statewide average for that fiscal year, computed as follows:

(A) Subtract the county's 1988-89 fiscal year revenue limit per unit of average daily attendance from the statewide average revenue limit for juvenile court school programs for the 1988-89 fiscal year.

(B) Notwithstanding subdivision (c), for the 1989-90 fiscal year, the amount calculated pursuant to subparagraph (A).

(2) An inflation adjustment equal to the percentage increase applied to the statewide average revenue limit for school districts multiplied by the statewide average revenue limit for juvenile court school programs for the prior fiscal year.

(b) The Superintendent of Public Instruction shall multiply the revenue limit per unit of average daily attendance computed in subdivision (a) by the number of units of average daily attendance for county juvenile court school programs for the current fiscal year.

(c) In no event shall the amount computed pursuant to paragraph (1) of subdivision (a) exceed the amount computed pursuant to

paragraph (2) of subdivision (a).

(d) As a condition of receiving an equalization adjustment pursuant to paragraph (1) of subdivision (a), the county superintendent of **schools** shall certify to the Superintendent of Public Instruction that all the funds received pursuant to this section are expended solely for purposes of operating juvenile court school programs pursuant to Article 2.5 (commencing with Section 48645) of Chapter 4 of Part 27 or of serving pupils enrolled in community **schools** pursuant to subdivision (c) of Section 1981.

(e) In any fiscal year in which Section 2550.1 is operative, this section shall be inoperative.

2550.3. Each county superintendent of **schools**, as a condition of apportionment, shall report separately to the Superintendent of Public Instruction, not later than May 1, 1998, and September 1, 1998, respectively, what portions of attendance in the **schools** and classes maintained by the county superintendent that was reported for each of the 1996-97 and 1997-98 school years pursuant to Section 41601 consisted of absences excused pursuant to subdivision (b) of Section 46010 and to Section 46015, as those sections read on July 1, 1996.

Each report shall be prepared in accordance with instructions and on forms prescribed by the Superintendent of Public Instruction.

2550.4. (a) Effective July 1, 1998, the Superintendent of Public Instruction shall make one-time adjustments to the revenue limits per unit of average daily attendance of each county office of **education** for those programs which, prior to July 1, 1998, were authorized in Section 46010 as it read on July 1, 1996, to include certain absences in reports of attendance made pursuant to Section 41601. Those one-time adjustments shall apply for the 1998-99 fiscal year, and for each fiscal year thereafter, but not for any year prior to 1998-99, and shall be accomplished by revision of the prior fiscal year revenue limits per unit of average daily attendance calculated for those programs, as follows:

(1) Determine revised revenue limits per unit of average daily attendance for the 1996-97 fiscal year for each of the programs. Each revised revenue limit per unit of average daily attendance shall equal funding received for the program for the 1996-97 fiscal year that is directly attributable to the original revenue limit per unit of average daily attendance, divided by the attendance, excluding absences excused pursuant to subdivision (b) of Section 46010 as it read on July 1, 1996, reported pursuant to Section 41601 for that program in the 1996-97 fiscal year.

(2) For the 1996-97 and 1997-98 fiscal years, recalculate the revenue limits per unit of average daily attendance for each program to reflect the revision in the revenue limits per unit of average daily attendance determined pursuant to paragraph (1).

(3) The calculation made pursuant to paragraph (2) shall not be used for apportionment purposes for either of those years or for adjustments for those years.

(b) If any county superintendent of **schools** demonstrates to the satisfaction of the Superintendent of Public Instruction that, because of extraordinary circumstances beyond the control of the county office of **education**, the amount of absences excused in one or more county office programs in fiscal year 1996-97 pursuant to subdivision (b) of Section 46010 as it read on July 1, 1996, was

significantly lower than it would ordinarily have been in comparison to the amount of actual attendance in fiscal year 1996-97, the Superintendent of Public Instruction shall make a compensating adjustment, consistent with the provisions of Section 2 of the **Education Code**, in the calculation set forth in this section.

2550.5. (a) For each fiscal year to which Section 2550.6 applies, revenue limit increases calculated pursuant to subdivisions (b) to (f), inclusive, of Section 2550.6 and revenue limit increases made pursuant to Section 2550.7 shall be funded from the amounts available for the inflation adjustment calculated pursuant to paragraph (2) of subdivision (a) of Section 2550.2. Those amounts shall be allocated as set forth in this section.

(b) The revenue limit increases calculated pursuant to subdivisions (b) to (f), inclusive, of Section 2550.6 shall be funded as follows:

(1) The revenue limit increases shall be funded from the funds derived from any amounts available for the inflation adjustment calculated pursuant to paragraph (2) of subdivision (a) of Section 2550.2.

(2) If no funds from the inflation adjustment are available, or if the funds available for the inflation adjustment are not sufficient to fully fund the revenue limit increases, the Superintendent of Public Instruction shall reduce the revenue limit increases for the fiscal year in which the funds are insufficient on a pro rata basis.

(c) In the first fiscal year that the funds that are available for the inflation adjustment calculated pursuant to paragraph (2) of subdivision (a) of Section 2550.2 exceed the amount needed to fully fund the revenue limit increases calculated pursuant to subdivisions (b) to (f), inclusive, of Section 2550.6, the Superintendent of Public Instruction shall, from those excess funds, allocate the amounts necessary to increase the revenue limits of county superintendents of **schools** pursuant to Section 2550.7. If those funds are not sufficient to fully fund the revenue limit increases described in Section 2550.7, the Superintendent of Public Instruction shall make allocations for those revenue limit increases on a pro rata basis. The Superintendent of Public Instruction shall, in each subsequent fiscal year that those excess funds are available, continue to allocate funds for the purposes of Section 2550.7 until the revenue limits are increased to the level contemplated by that section.

(d) If after making the allocation described in subdivision (c) excess funds are available, the Superintendent of Public Instruction shall, for the purpose of making an inflation adjustment, allocate those funds in a uniform amount per unit of average daily attendance for each school receiving a revenue limit increase pursuant to the relevant subdivision of subdivision (b), (c), (d), (e), or (f) of Section 2550.6, with the uniform amount per unit of average daily attendance reduced as necessary and the amount thereby saved allocated to any school that does not receive a revenue limit increase pursuant to the relevant subdivision (b), (c), (d), (e), or (f) of Section 2550.6 to ensure that it has a funding level per unit of average daily attendance in the then current fiscal year that is not less than the highest funding level per unit of average daily attendance in the then current fiscal year for **schools** that receive a revenue limit increase pursuant to the relevant subdivision (b), (c), (d), (e), or (f) of Section 2550.6.

(e) If in the 2000-01 fiscal year there are not sufficient funds available to fully fund revenue limits for **schools** subject to Section 2550.6 at the level calculated pursuant to subdivision (f) of Section 2550.6, then the Superintendent of Public Instruction shall continue to equalize revenue limits per unit of average daily attendance for those **schools** in a manner consistent with Section 2550.6 in the 2001-02 fiscal year, and in any subsequent fiscal year, as necessary, and consistent with subdivision (f) of Section 2550.6.

(f) The equalization of revenue limits per unit of average daily attendance pursuant to Section 2550.6 shall be complete in the fiscal year in which the revenue limit per unit of average daily attendance, as computed pursuant to Section 2550.6, for each school subject to this section is within the following range:

(1) Not less than the statewide average revenue limit per unit of average daily attendance for pupils enrolled in **schools** for the prior fiscal year multiplied by the inflation adjustment computed pursuant to paragraph (2) of subdivision (a) of Section 2550.2 for the current fiscal year.

(2) Not more than the product calculated in paragraph (1) multiplied by 1.15.

(g) For the purpose of this section, "school" or "**schools**" means juvenile court **schools** operated by a county superintendent of **schools** pursuant to Article 2.5 (commencing with Section 48645) of Chapter 4 of Part 27, and county community **schools** described in subdivision (c) of Section 1981, that are subject to Section 2550.6.

(h) In any fiscal year in which Section 2550.1 is operative, this section shall be inoperative.

2550.6. The revenue limit per unit of average daily attendance for each juvenile court school operated by a county superintendent of **schools** pursuant to Article 2.5 (commencing with Section 48645) of Chapter 4 of Part 27 and each county community school described in subdivision (c) of Section 1981 shall be subject to the following equalization adjustments:

(a) For the purposes of determining the revenue limit per unit of average daily attendance, make the following computations:

For the 1996-97 fiscal year, compute the statewide average revenue limit per unit of average daily attendance calculated pursuant to Section 2550.2 for the 1995-96 fiscal year for pupils enrolled in juvenile court **schools** pursuant to Article 2.5 (commencing with Section 48645) of Chapter 4 of Part 27 and for pupils enrolled in county community **schools** pursuant to subdivision (c) of Section 1981, as that section existed on June 30, 1996.

(b) If the revenue limit per unit of average daily attendance for the 1995-96 fiscal year determined pursuant to Section 2550.2 for the county superintendent of **schools** is less than the amount determined in subdivision (a), make the following computations:

(1) From the amount determined in subdivision (a), subtract the revenue limit per unit of average daily attendance for the 1995-96 fiscal year determined pursuant to Section 2550.2.

(2) Multiply the amount determined pursuant to paragraph (1) by 0.20.

(3) Add the amount determined in paragraph (2) to the revenue limit per unit of average daily attendance determined for the 1995-96 fiscal year.

(4) Add the amount determined in paragraph (3) to the inflation adjustment, if any, provided for the 1996-97 fiscal year pursuant to subdivision (d) of Section 2550.5. The amount of the sum is the

revenue limit per unit of average daily attendance for the 1996-97 fiscal year for juvenile court **schools** and county community **schools** subject to this subdivision.

(c) The revenue limit per unit of average daily attendance for the 1997-98 fiscal year for each county superintendent of **schools** subject to subdivision (b) shall be determined as follows:

(1) Increase the amount determined in subdivision (a) by the inflation adjustment for the 1996-97 fiscal year as determined in paragraph (2) of subdivision (a) of Section 2550.2.

(2) If the revenue limit per unit of average daily attendance calculated pursuant to paragraph (4) of subdivision (b) is less than the amount determined pursuant to paragraph (1), make the following computation:

(A) From the amount calculated pursuant to paragraph (1) subtract the revenue limit per unit of average daily attendance calculated pursuant to paragraph (4) of subdivision (b).

(B) Multiply the amount determined in subparagraph (A) by 0.25.

(C) Add the amount determined in subparagraph (B) to the revenue limit per unit of average daily attendance calculated pursuant to paragraph (4) of subdivision (b) as increased by the inflation adjustment, if any, provided for the 1997-98 fiscal year pursuant to subdivision (d) of Section 2550.5. The amount of this sum is the revenue limit per unit of average daily attendance for the 1997-98 fiscal year for juvenile court **schools** and county community **schools** subject to this subdivision.

(d) The revenue limit per unit of average daily attendance for the 1998-99 fiscal year for each county superintendent of **schools** subject to subdivision (c) shall be determined as follows:

(1) Increase the amount determined in paragraph (1) of subdivision (c) by the inflation adjustment for the 1997-98 fiscal year as determined in paragraph (2) of subdivision (a) of Section 2550.2.

(2) If the revenue limit per unit of average daily attendance calculated pursuant to subparagraph (C) of paragraph (2) of subdivision (c) is less than the amount determined pursuant to paragraph (1), make the following computation:

(A) From the amount calculated pursuant to paragraph (1) subtract the revenue limit per unit of average daily attendance calculated pursuant to subparagraph (C) of paragraph (2) of subdivision (c).

(B) Multiply the amount determined in subparagraph (A) by 0.33.

(C) Add the amount determined in subparagraph (B) to the revenue limit per unit of average daily attendance calculated pursuant to subparagraph (C) of paragraph (2) of subdivision (c) as increased by the inflation adjustment, if any, provided for the 1998-99 fiscal year pursuant to subdivision (d) of Section 2550.5. The amount of this sum is the revenue limit per unit of average daily attendance for the 1998-99 fiscal year for juvenile court **schools** and county community **schools** subject to this subdivision.

(e) The revenue limit per unit of average daily attendance for the 1999-2000 fiscal year for each county superintendent of **schools** subject to subdivision (d) shall be the amount determined as follows:

(1) Increase the amount determined in paragraph (1) of subdivision (d) by the inflation adjustment for the 1998-99 fiscal year as determined in paragraph (2) of subdivision (a) of Section 2550.2.

(2) If the revenue limit per unit of average daily attendance calculated pursuant to subparagraph (C) of paragraph (2) of subdivision (d) is less than the amount determined pursuant to paragraph (1), make the following computation:

(A) From the amount calculated pursuant to paragraph (1) subtract the revenue limit per unit of average daily attendance calculated pursuant to subparagraph (C) of paragraph (2) of subdivision (d).

(B) Multiply the amount determined in subparagraph (A) by 0.5.

(C) Add the amount determined in subparagraph (B) to the revenue limit per unit of average daily attendance calculated pursuant to subparagraph (C) of paragraph (2) of subdivision (d) as increased by the inflation adjustment, if any, provided for the 1999-2000 fiscal year pursuant to subdivision (d) of Section 2550.5. The amount of this sum is the revenue limit per unit of average daily attendance for the 1999-2000 fiscal year for juvenile court **schools** and county community **schools** subject to this subdivision.

(f) The revenue limit per unit of average daily attendance for the 2000-01 fiscal year for each county superintendent of **schools** subject to subdivision (e) shall be the amount determined in subdivision (a) as adjusted for inflation in the 1996-97, 1997-98, 1998-99, 1999-2000, and 2000-01 fiscal years pursuant to paragraph (2) of subdivision (a) of Section 2550.2.

(g) In any fiscal year in which Section 2550.1 is operative this section shall be inoperative.

2550.7. The Superintendent of Public Instruction shall apportion funds for each unit of average daily attendance in county community school programs operated by a county superintendent of **schools** for pupils enrolled therein pursuant to subdivision (a), (b), (c), or (d) of Section 1981 if the county superintendent of **schools** claims an annual county community school average daily attendance of 20 or less, at the revenue limit per unit of average daily attendance provided for in subdivision (b) of Section 1982.

2551.3. (a) For the 1979-80 fiscal year and each fiscal year thereafter, the Superintendent of Public Instruction shall make the following computations to determine the state aid to be allocated for pregnant minors programs operated by county superintendents of **schools**:

(1) The Superintendent of Public Instruction shall determine expenditures made by the county office for the 1979-80 fiscal year and shall divide such amount by the average daily attendance in such program for the 1979-80 fiscal year.

(2) For the 1980-81 fiscal year, the quotient computed pursuant to paragraph (1) shall be increased by 9 percent, and shall be cumulatively increased in each fiscal year thereafter by the average inflation allowance applied to unified school district revenue limits.

(3) The amount computed pursuant to paragraph (2) shall be multiplied by the average daily attendance in pregnant minors programs for the then current fiscal year.

(b) The product computed pursuant to paragraph (3) of subdivision (a) shall be added to the sum computed pursuant to subdivision (a) of Section 2558.

(c) County superintendents who operate pregnant minors programs for the 1979-80 fiscal year shall continue to operate pregnant minors programs in the 1980-81 fiscal year and each fiscal year thereafter, unless the program is transferred by mutual agreement to another local **education** agency, or unless the county superintendent demonstrates that programs and services for pregnant minors, such as continuation school, home instruction, or independent instruction, are available from other local **education** agencies in the county and the local **education** agencies agree to offer those programs and

services, pursuant to pregnant minors program rules and regulations developed by the Superintendent of Public Instruction.

(d) County superintendents who did not operate pregnant minors programs in the 1979-80 fiscal year may apply to the Superintendent of Public Instruction for approval to operate such programs. The revenue limit adjustment for the program shall be the statewide average amount for the then fiscal current year as computed pursuant to subdivision (a) of Section 42241.5.

(e) Funds received for average daily attendance in pregnant minors programs shall be expended on such programs.

(f) The Superintendent of Public Instruction shall adopt rules and regulations for the effective administration of pregnant minors programs.

2551.3. (a) For the 1979-80 fiscal year and each fiscal year thereafter, the Superintendent of Public Instruction shall make the following computations to determine the state aid to be allocated for pregnant minors programs operated by county superintendents of **schools**:

(1) The Superintendent of Public Instruction shall determine expenditures made by the county office for the 1979-80 fiscal year and shall divide such amount by the average daily attendance in such program for the 1979-80 fiscal year.

(2) For the 1980-81 fiscal year, the quotient computed pursuant to paragraph (1) shall be increased by 9 percent, and shall be cumulatively increased in each fiscal year thereafter by the average inflation allowance applied to unified school district revenue limits, except that there shall be no inflation adjustment after the 1998-99 fiscal year.

(3) The amount computed pursuant to paragraph (2) shall be multiplied by the average daily attendance in pregnant minors programs for the then current fiscal year.

(b) The product computed pursuant to paragraph (3) of subdivision (a) shall be added to the sum computed pursuant to subdivision (a) of Section 2558.

(c) The funding provided by this section shall be for the purposes of subdivision (b) of Section 54749.5 and shall not be adjusted for inflation.

2553. For major capital outlay projects or major repair or replacement projects, which cannot be funded by other revenue sources, county superintendents of **schools** shall be eligible for such funds in the same manner as specified by law for school districts. Any funds apportioned to the county superintendent pursuant to this section shall be restricted to the purposes of this section.

2554. In each fiscal year, beginning with fiscal year 1979-80, for tuition for students attending **schools** in adjoining states, the Superintendent of Public Instruction shall apportion an amount to each county superintendent sufficient to pay the amounts required or allowed to be paid pursuant to Sections 2002 to 2006, inclusive.

2555. Beginning July 1, 1979, the Superintendent of Public

Instruction shall apportion an amount to each county superintendent sufficient for payments required pursuant to any school building aid law previously funded by a tax levied pursuant to Section 2503.

2556. For the purposes of the allocation of property tax revenues for the 1979-80 fiscal year and each fiscal year thereafter pursuant to Part 0.5 (commencing with Section 95) of Division 1 of the Revenue and Taxation **Code**, property tax revenues received for the 1977-78 fiscal year pursuant to Sections 41203 and 84203 of the **Education Code**, or for the 1978-79 fiscal year pursuant to Section 2 of Chapter 51, Statutes of 1979, shall be deemed to be property tax revenues received by the county superintendent of **schools**.

2557. (a) For each fiscal year, the prior year revenue limits per average daily attendance, class, or instructional hour, determined in Section 2550, and the prior year total revenue limits determined in Section 2551 shall be increased by a percentage equal to the percentage increase applied to the statewide average revenue limit for unified school districts for the then current fiscal year, except for the 1981-82 fiscal year, the increase shall not exceed 7.2 percent, and for the 1983-84 fiscal year, the increase shall be 8 percent. The resulting amounts shall then be multiplied by the estimated number of classes, units of average daily attendance, instructional hour, or pupils receiving special **education** services, as appropriate for the then current fiscal year.

(b) Notwithstanding subdivision (a), the inflation allowance for the 1982-83 fiscal year shall be reduced by one-fourth of the amount otherwise prescribed by subdivision (a), as specified in subdivision (m) of Section 42238, except to the extent a greater allowance may be funded by funds provided by the Budget Act of 1982. The inflation allowance for each year following the 1982-83 fiscal year shall be computed as if any reduction made pursuant to this subdivision had not been made.

2557.5. (a) For the 1987-88 fiscal year, and each fiscal year thereafter, the revenue limit of any county superintendent of **schools** authorized pursuant to Section 2551, as that section read on January 1, 1999, may be increased by an amount sufficient to provide additional revenue equal to the expenditure estimated to be incurred by the county superintendent of **schools** in the budget year in complying with the following provisions of the Unemployment Insurance **Code**: Sections 605 and 803, Article 6 (commencing with Section 821) of Chapter 3 of Part 1 of Division 1, or Article 3 (commencing with Section 976) of Chapter 4 of Part 1 of Division 1, less the actual expenditures incurred by the county superintendent of **schools** in the 1975-76 fiscal year in complying with the following provisions of the Unemployment Insurance **Code**: Article 6 (commencing with Section 821) of Chapter 3 of Part 1 of Division 1 and former Section 605.2.

(b) The increase in revenue limit provided in subdivision (a) shall be adjusted annually, including plus or minus adjustments for under- or over-estimating expenditures used in determining the increase in revenue limit provided by subdivision (a) in the previous fiscal year.

(c) (1) For the 1994-95 to 2002-03 fiscal years, inclusive, the

amount of the increase computed pursuant to this section may not be adjusted by the deficit factor applied to the revenue limit of each county superintendent of **schools** pursuant to Section 2558.45.

(2) For the 2003-04 fiscal year and each fiscal year thereafter, the revenue limit reduction specified in Section 2558.46 may not be applied to the adjustment computed pursuant to this section.

(d) Expenditures for employees of **charter schools** funded pursuant to Article 2 (commencing with Section 47633) of Chapter 6 of Part 26.8 are excluded from the calculations set forth in this section.

2558. Notwithstanding any other law, for the 1979-80 fiscal year and each fiscal year thereafter, the Superintendent of Public Instruction shall apportion state aid to county superintendents of **schools** pursuant to this section.

(a) The Superintendent of Public Instruction shall total the amounts computed for the fiscal year pursuant to Sections 2550, 2551.3, 2554, 2555, and 2557 and Section 2551, as that section read on January 1, 1999. For the 1979-80 fiscal year and for purposes of calculating the 1979-80 fiscal year base amounts in succeeding fiscal years, the amounts in Sections 2550, 2551, 2552, 2554, 2555, and 2557, as they read in the 1979-80 fiscal year, shall be multiplied by a factor of 0.994. For the 1981-82 fiscal year and for purposes of calculating the 1981-82 fiscal year base amounts in succeeding fiscal years, the amount in this subdivision shall be multiplied by a factor of 0.97.

(b) For the 1995-96 fiscal year and each fiscal year thereafter, the county superintendent of **schools** shall adjust the total revenue limit computed pursuant to this section by the amount of increased or decreased employer contributions to the Public Employees' Retirement System resulting from the enactment of Chapter 330 of the Statutes of 1982, adjusted for any changes in those contributions resulting from subsequent changes in employer contribution rates, excluding rate changes due to the direct transfer of the state-mandated portion of the employer contributions to the Public Employees' Retirement System through the current fiscal year. The adjustment shall be calculated for each county superintendent of **schools** as follows:

(1) Determine the amount of employer contributions that would have been made in the current fiscal year if the applicable Public Employees' Retirement System employee contribution rate in effect immediately prior to the enactment of Chapter 330 of the Statutes of 1982 were in effect during the current fiscal year.

(2) Determine the actual amount of employer contributions made to the Public Employees' Retirement System in the current fiscal year.

(3) If the amount determined in paragraph (1) is greater than the amount determined in paragraph (2), the total revenue limit computed pursuant to this part for that county superintendent of **schools** shall be decreased by the amount of the difference between those paragraphs; or if the amount determined in paragraph (1) is less than the amount determined in paragraph (2), the total revenue limit for that county superintendent of **schools** shall be increased by the amount of the difference between those paragraphs.

(4) For the purposes of this subdivision, employer contributions to the Public Employees' Retirement System for any of the following positions shall be excluded from the calculation specified above:

(A) Positions or portions of positions supported by federal funds that are subject to supplanting restrictions.

(B) Positions supported by funds received pursuant to paragraph (1) of subdivision (a) of Section 54203.

(C) Positions supported, to the extent of employers' contributions not exceeding twenty-five thousand dollars (\$25,000) by any single educational agency, from a non-General Fund revenue source determined to be properly excludable from this subdivision by the Superintendent of Public Instruction with the approval of the Director of Finance. Commencing in the 2002-03 fiscal year, only positions supported from a non-General Fund revenue source determined to be properly excludable as identified for a particular local **education** agency or pursuant to a blanket waiver by the Superintendent of Public Instruction and the Director of Finance, prior to the 2002-03 fiscal year, may be excluded pursuant to this paragraph.

(5) For accounting purposes, any reduction to county office of **education** revenue limits made by this subdivision may be reflected as an expenditure from appropriate sources of revenue as directed by the Superintendent of Public Instruction.

(6) The amount of the increase or decrease to the revenue limits of county superintendents of **schools** made by this subdivision for the 1995-96 to 2001-02 fiscal years, inclusive, may not be adjusted by the deficit factor applied to the revenue limit of each county superintendent of **schools** pursuant to Section 2558.45.

(7) For the 2003-04 fiscal year and any fiscal year thereafter, the revenue limit reduction specified in Section 2558.46 may not be applied to the amount of the increase or decrease to the revenue limits of each county superintendent of **schools** computed pursuant to paragraph (3).

(c) The Superintendent of Public Instruction shall also subtract from the amount determined in subdivision (a) the sum of: (1) local property tax revenues received pursuant to Section 2573 in the then current fiscal year, and tax revenues received pursuant to Section 2556 in the then current fiscal year, (2) state and federal categorical aid for the fiscal year, (3) district contributions pursuant to Section 52321 for the fiscal year, and other applicable local contributions and revenues, (4) any amounts that the county superintendent of **schools** was required to maintain as restricted and not available for expenditure in the 1978-79 fiscal year as specified in the second paragraph of subdivision (c) of Section 6 of Chapter 292 of the Statutes of 1978, as amended by Chapter 51 of the Statutes of 1979, and (5) the amount received pursuant to subparagraph (C) of paragraph (3) of subdivision (a) of Section 33607.5 of the Health and Safety **Code** that is considered property taxes pursuant to that section.

(d) The remainder computed in subdivision (c) shall be distributed in the same manner as state aid to school districts from funds appropriated to Section A of the State School Fund.

(e) If the remainder determined pursuant to subdivision (c) is a negative amount, no state aid shall be distributed to that county superintendent of **schools** pursuant to subdivision (d), and an amount of funds of that county superintendent equal to that negative amount shall be deemed restricted and not available for expenditure during the current fiscal year. In the next fiscal year, that amount shall be considered local property tax revenue for purposes of the operation of paragraph (1) of subdivision (c).

(f) The calculations set forth in paragraphs (1) to (3), inclusive, of subdivision (b) exclude employer contributions for employees of **charter schools** funded pursuant to Article 2 (commencing with Section 47633) of Chapter 6 of Part 26.8.

2558.1. For the 1986-87 fiscal year and each fiscal year thereafter, the apportionment computed pursuant to subdivision (d) of Section 2558 shall be increased by the amount reported by the Teachers' Retirement Board for that county office of **education** under Section 23400.3. This additional amount shall be increased annually by the amount of the inflation allowance computed under Section 2557.

2558.2. (a) The Superintendent of Public Instruction shall use the revenue limit per unit of average daily attendance of the largest unified school district in the county to determine the revenue limits per unit of average daily attendance for county superintendents who provide **education** for homeless children pursuant to subdivision (c) of Section 1982.

(b) The county superintendent shall certify to the Superintendent of Public Instruction that no school district in the county is also claiming average daily attendance for those pupils.

(c) State apportionments to county superintendents for the provision of **education** services to homeless children shall be restricted to expenditure on **education** services to homeless children and county administrative expenses related thereto.

2558.3. Unless the Budget Act specifically states otherwise, whenever the Budget Act requires the county superintendent to reduce revenue limits to reflect decreased employer contributions to the Public Employee's Retirement System, in addition to any other exclusions specified in the Budget Act, the calculation of the reduction shall exclude any increased contribution imposed pursuant to Section 20750.98 of the Government **Code**.

2558.4. For the purposes of this article, the revenue limit for the 1993-94 fiscal year for each county superintendent of **schools** determined pursuant to this article and adjusted pursuant to Section 2558.6 shall be reduced by a 9.77 percent deficit factor.

2558.45. For the purposes of this article the revenue limit of each county superintendent of **schools** shall be reduced by a deficit factor, as follows:

(a) (1) The revenue limit for the 1994-95 fiscal year for each county superintendent of **schools** determined pursuant to this article shall be reduced by a 12.59 percent deficit factor.

(2) The revenue limit for the 1995-96 fiscal year determined pursuant to this article for each county superintendent of **schools** shall be reduced by an 11.70 percent deficit factor.

(3) The revenue limit for the 1996-97 and 1997-98 fiscal years determined pursuant to this article for each county superintendent of **schools** shall be reduced by an 11.547 percent deficit factor, as adjusted pursuant to Section 42238.41.

(4) The revenue limit for the 1999-2000 fiscal year determined pursuant to this article for each county superintendent of **schools** shall be reduced by a 8.628 percent deficit factor.

(b) (1) The revenue limit for each county superintendent of

schools for the 1994-95 fiscal year shall be determined as if the revenue limit for each county superintendent of **schools** had been determined for the 1993-94 fiscal year without being reduced by the deficit factor required pursuant to Section 2558.4.

(2) When computing the revenue limit for each county superintendent of **schools** for the 1995-96 or any subsequent fiscal year pursuant to this article, the revenue limit shall be determined as if the revenue limit for each county superintendent of **schools** had been determined for the previous fiscal year without being reduced by the deficit factor specified in this section.

2558.46. (a) (1) For the 2003-04 fiscal year, the revenue limit for each county superintendent of **schools** determined pursuant to this article shall be reduced by a 1.195 percent deficit factor.

(2) For the 2004-05 fiscal year, the revenue limit for each county superintendent of **schools** determined pursuant to this article shall be reduced by a 0.323 percent deficit factor.

(3) For the 2003-04 and 2004-05 fiscal years, the revenue limit for each county superintendent of **schools** determined pursuant to this article shall be reduced further by a 1.826 percent deficit factor.

(4) For the 2005-06 fiscal year, the revenue limit for each county superintendent of **schools** determined pursuant to this article shall be reduced further by a 0.898 percent deficit factor.

(5) For the 2008-09 fiscal year, the revenue limit for each county superintendent of **schools** determined pursuant to this article shall be reduced by a 7.839 percent deficit factor.

(6) For the 2009-10 fiscal year, the revenue limit for each county superintendent of **schools** determined pursuant to this article shall be reduced by an 18.621 percent deficit factor.

(7) For the 2010-11 fiscal year, the revenue limit for each county superintendent of **schools** determined pursuant to this article shall be reduced by an 18.250 percent deficit factor.

(8) For the 2011-12 fiscal year, the revenue limit for each county superintendent of **schools** determined pursuant to this article shall be reduced by a 20.041 percent deficit factor.

(b) In computing the revenue limit for each county superintendent of **schools** for the 2006-07 fiscal year pursuant to this article, the revenue limit shall be determined as if the revenue limit for that county superintendent of **schools** had been determined for the 2003-04, 2004-05, and 2005-06 fiscal years without being reduced by the deficit factors specified in subdivision (a).

(c) In computing the revenue limit for each county superintendent of **schools** for the 2010-11 fiscal year pursuant to this article, the revenue limit shall be determined as if the revenue limit for that county superintendent of **schools** had been determined for the 2009-10 fiscal year without being reduced by the deficit factors specified in subdivision (a).

(d) In computing the revenue limit for each county superintendent of **schools** for the 2011-12 fiscal year pursuant to this article, the revenue limit shall be determined as if the revenue limit for that county superintendent of **schools** had been determined for the 2010-11 fiscal year without being reduced by the deficit factors specified in subdivision (a).

(e) In computing the revenue limit for each county superintendent of **schools** for the 2012-13 fiscal year pursuant to this article, the revenue limit shall be determined as if the revenue limit for that county superintendent of **schools** had been determined for the 2011-12 fiscal year without being reduced by the deficit factor specified in

subdivision (a).

2558.5. Except as provided in Section 2559, for the 1981-82 fiscal year and each fiscal year thereafter, revenues received pursuant to Section 2558, and any ending balances from the prior fiscal year from state or local revenues, may be used by the county superintendent for any of the programs operated by the county office.

2558.6. Notwithstanding any other provision of law, for the 1994-95 fiscal year the county superintendent of **schools** shall reduce the total revenue limit computed pursuant to Section 2558 of the **Education Code** by the amount of the decreased employer contributions to the Public Employees' Retirement System resulting from the enactment of Chapter 330 of the Statutes of 1982, adjusted for any changes in those contributions resulting from subsequent changes in employer contribution rates, excluding rate changes due to the direct transfer of the state-mandated portion of the employer contributions to the Public Employees' Retirement System, through the 1994-95 fiscal year. The reduction shall be calculated for each county superintendent of **schools** as follows:

(a) Determine the amount of employer contributions that would have been made in the 1994-95 fiscal year if the applicable Public Employees' Retirement System employer contribution rate in effect immediately prior to the enactment of Chapter 330 of the Statutes of 1982 were in effect during the 1994-95 fiscal year.

(b) Subtract from the amount determined in subdivision (a) the actual amount of employer contributions made to the Public Employees' Retirement System in the 1994-95 fiscal year.

(c) For the purposes of this section, employer contributions to the Public Employees' Retirement System for any of the following positions shall be excluded from the calculation specified above:

(1) Positions or portions of positions supported by federal funds that are subject to supplanting restrictions.

(2) Positions supported by funds received pursuant to Section 42243.6 of the **Education Code**.

(3) Positions supported, to the extent of employer contributions not exceeding twenty-five thousand dollars (\$25,000) by any single educational agency, from a non-General Fund revenue source determined to be properly excludable from this section by the Superintendent of Public Instruction with the approval of the Director of Finance.

(d) For accounting purposes, the reduction made by this provision may be reflected as an expenditure from appropriate sources of revenue as directed by the Superintendent of Public Instruction.

(e) The amount of the reduction made by this section shall not be adjusted by the deficit factor calculated pursuant to Section 2558.45.

It is the intent of the Legislature to make adjustments to county office of **education** revenue limits for the 1994-95 fiscal year to reflect savings that these county offices of **education** will realize in the contributions to the Public Employees' Retirement System due to a reduced contribution rate for the 1994-95 fiscal year.