

### **"AB 1200 Clean Up" Trailer Bill Language**

#### **Reflect New Fiscal Risk Indicators and Technical Clean-Up (Amends Education Code Sections 42127 and 42127.1) Sec 10 -**

Amendment to Section 42127 strikes the language referring to a district being in fiscal distress if it meets "more than 3 of the 15 most common predictors." Instead, the new language refers to a district that "is at moderate or high risk based on the common indicators of a school district needing intervention."

Amendment to Section 42127.1 removing the language allowing the county superintendent of schools to select and convene a regional review committee that could operate in place of the budget review committee.

#### **Clarify Process of Assisting Districts in Fiscal Distress (Amends Education Code Section 42127.6) Sec 11-**

This section is amended to conform to the changes made in sections 42127 and 42127.1.

In addition this section now allows the county superintendent of schools to assign FCMAT the authority to assign a fiscal expert to advise the school district on its financial problems, conduct a study of the financial and budgetary conditions of the school districts and direct the school to submit financial projection for all cash and fund balances for schools districts that are determined to be in fiscal distress.

The section is further amended to include notification to the superintendent and each exclusive representative of the employees of the school district, in addition to SPI and State Board President that a district will not be able to meet its financial obligations.

This section also appears to expand the stay and rescind authority. "In the event the subsequent year's budget is disapproved by the county superintendent of schools, the authority under this paragraph counties without interruption until the next subsequent year's budget is approved by the county superintendent of schools."

#### **Fiscal Crisis and Management Assistance Team Organizational Activities (Amends Education Code Section 42127.8) Sec 12-**

Removes language directing FCMAT to request and review applications to establish regional teams of education finance experts throughout the state. This amendment conforms with the removing the regional review committee in Sec 10.

#### **School District Interim Fiscal Report Certification Timeline (Amends Education Code Section 42131) Sec 13-**

This section adds language to require that any school district having a negative or qualified certification or classified as qualified or negative by the county superintendent of schools, shall continue to be classified as qualified or negative until the next interim report or budget is filled.

**Restriction on Non-Voter Approved Debt (Amends Education Code Section 42133) Sec 14-**

Amended to add districts that receive a notice of going concern from issuing non-approved voter debt.

**Public Comment on Collective Bargaining Agreements (Amends Government Code Section 3540.2) Sec 29-**

Amended to require all school districts to allow the county office of education 10 working days to review and comment on the collective bargaining agreements fiscal impact. Also amended to require county offices of education notify not only district officials but also each exclusive representative when a collective bargaining agreement is found to be unsustainable.

Amended to require county offices of education to allow the Superintendent of Public Instruction 10 working days to review and comment on the collective bargaining agreements fiscal impact. Also amended to require the Superintendent of Public Instruction notify not only the county superintendent of schools and the county board of education, but also each exclusive representative when a collective bargaining agreement is found to be unsustainable.

**Public Comment on Collective Bargaining Agreements for Non-Represented Employees (Adds Government Code Section 3540.3) Sec 30-**

Added to to require that the provisions in Government Code Section 3540.2 also apply to non-represented employees.

**Disclosure of Costs for School Districts Experiencing Fiscal Distress (Amends Government Code Section 3547.5) Sec 31-**

Amends disclosure rules so that a district superintendent and CBO would certify *under penalty of perjury* that the district can meet the costs of a collective bargaining agreement.

**Public Disclosure of Costs for Collective Bargaining Agreements (Adds Government Code Section 3547.6) Sec 32**

Would require district officials to hold public meetings to inform community members about the cost of a proposed agreement with "non-represented employees." Reiterates "under penalty of perjury" language. Lastly, this section directs the county superintendent to issue a notice of going concern if the district "does not adopt all revisions to its budget needed in the current fiscal year to meet the costs" of that agreement.