



SEPTEMBER 2020

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SB 820 (Education Finance Bill) Passes CA Legislature

What You Need to Know Now

On August 31, 2020, education finance budget trailer bill SB 820 was passed by the California Legislature. Consistent with the standard State Budget process, SB 820 serves to adjust and clarify certain aspects of the original Budget Bill (SB 98) but it also includes a few notable new provisions with relevance to and potential impacts on local school agency operations within the State. Those new or amended provisions of the law are summarized below along with information regarding their educational impacts and important considerations for school agencies as we move forward into the 2020-2021 school year.

Video and Recordings – Live Distance Learning

The bill clarifies whether Education Code section 51512 requirements for recording synchronous (live) instruction during distance learning. Teacher and principal consent is **not** required for the district to require either synchronous (live) instruction or asynchronous video recording for purposes of distance learning; however, the bill does confirm that any recording of a teacher's live instruction by any other person for any other reason is still prohibited absent the prior consent of both the teacher and the school principal.

Impacts & Considerations

- Districts wishing to record distance learning should notify their union of their intent to do so based on SB 820. Districts should also carefully examine existing labor agreements and any recent MOUs for potential limitations or barriers to districts proceeding with recording distance learning without prior consent of teachers or principals.
- Districts should review their notices to parents and students regarding distance learning, including all acceptable use of technology policies and agreements, to ensure that such notices inform both parents and students that it is illegal for them to independently make any audio, video, or digital recording of distance learning activities without the prior consent of the teacher and principal of the school, and potential consequences for violation.

Sale or Lease of Surplus Property

SB 820 eliminates the requirement that districts appoint a facilities advisory or "7-11" committee prior to selling or leasing property not previously built or operated as an early childhood education facility or elementary or secondary school.

Districts are now permitted to make all required statutory offers to other government entities and eligible nonprofit organizations simultaneously.

SB 820 also clarifies that whether or not the sale or lease is completed by June 30, 2024, the proceeds from a transaction begun prior to such date may be eligible for one-time general fund purposes consistent with the requirements of Education Code 17463.7, as originally detailed in SB 98.

Impacts & Considerations

- Local educational agencies looking to address fiscal issues using revenue from real property are now potentially able to streamline the process and accelerate the timeline by which those transactions can be completed and the proceeds can be received and used.
- Districts should carefully consider community sentiment and explore other options for receipt of stakeholder feedback, along with gauging public concerns regarding budget development and spending transparency when moving away from formal local citizen engagement in these processes.
- Staff should be identifying and preparing plans for use of proceeds for eligible one-time uses and carefully consider areas of maximum impact in connection with the District's long-term financial needs and goals.

ADA Credit for Increased Enrollment in 2020-2021

Districts experiencing an actual increase in enrollment in 2020-2021 are now eligible to receive apportionment based on that growth.

Impacts & Considerations

- Local educational agency budgets developed using 2019-2020 enrollment and ADA revenues should be reviewed and revised accordingly, consistent with regular financial reporting calendar (e.g. first interim and second interim budget reports).
- This action does not eliminate the hold harmless provisions set forth in SB 98 for local educational agencies experiencing declining enrollment.

Use of State Lottery Funds to Purchase Technology-Based Materials

Restricted lottery funds for purchase of instructional materials may now be used to buy laptop computers and devices that provide internet access for use by pupils, teachers, and faculty as learning resources.

Impacts & Considerations

- To the extent that other available funds had to be used to purchase equipment and devices necessary for distance learning, budgets should be carefully reviewed and adjusted to ensure that all eligible expenditures are allocated to these otherwise restricted funds to the fullest degree possible.

Time Periods Extended for Spending Learning Loss Mitigation Funds

Funds allocated for learning loss mitigation have been extended for use, including the Federal Trust Fund until September 30, 2022, and state General Fund to June 30, 2021, respectively. Allowable expenses also expanded to COVID-19 testing, Personal Protective Equipment (PPE), sanitation supplies and other related needs.

Impacts & Considerations

- Again, allocation of current and planned future expenditures to funding sources should be reviewed to ensure that the full benefit of all learning loss mitigation funds and any available relief to General Fund monies can be realized.

Other Developments of Note

LCFF Template

The deadline for the State Superintendent of Public Instruction (SPI) to issue the new LCFF template and instructions for the LCFF budget overview for parents is September 15, 2020, reflecting alignment with the new Learning Continuity and Attendance Plan required by SB 98.

Student Attendance and Engagement Recording

Although not part of SB 820, the California Department of Education (CDE) recently released guidance on attendance accounting and reporting, and instructional time for distance learning, along with a related template for recording daily and weekly engagement. Use of the CDE template is not required, however, daily student attendance and weekly engagement must be recorded.

Local educational agencies should accordingly ensure that any labor agreements do not unduly complicate or otherwise create a barrier for ensuring compliance with mandatory student attendance and weekly engagement reporting and jeopardize receipt of state funding.

If you have questions regarding SB 820 and how it affects your agency, please contact one of our six offices.

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