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CALIFORNIA SCHOOL BOARDS ASSOCIATION and
7 EDUCATION LEGAL ALLIANCE

8 SUPERIOR COURT OF THE STATE OF CALIFORNIA
9 FOR THE COUNTY OF SACRAMENTO

10 CALIFORNIA SCHOOL BOARDS
ASSOCIATION and EDUCATION
11 LEGAL ALLIANCE,

12 Petitioners,

13 v.

14 JOE STEPHENSHAW, in his official
capacity as the DIRECTOR OF
15 FINANCE; and, THE STATE OF
CALIFORNIA,
16

17 Respondents.

Case No. **24WVMO00146**

**VERIFIED PETITION FOR WRIT OF
MANDATE AND COMPLAINT FOR
DECLARATORY RELIEF**

Trial: None set

18 Petitioners CALIFORNIA SCHOOL BOARDS ASSOCIATION and EDUCATION
19 LEGAL ALLIANCE (“Petitioners”) bring this petition for writ of mandate and complaint for
20 declaratory relief against respondents JOE STEPHENSHAW, in his official capacity as the
21 DIRECTOR OF FINANCE and THE STATE OF CALIFORNIA (“Respondents”) and allege as
22 follow:

23 **INTRODUCTION**

24 On November 8, 1988, the people of the State of California adopted Proposition 98, which
25 amended article XVI, section 8 of the California Constitution to provide a guaranteed minimum
26 spending level each year for school districts and community college districts (“Minimum Funding
27 Guarantee”). The fundamental purpose of Proposition 98 is to provide school districts and
28 community college districts with a stable and predictable source of funding, at or exceeding the

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1 Minimum Funding Guarantee, that is not subject to political influence or manipulation and to
2 ensure that funding grows with the economy and State General Fund revenues.

3 Instead of providing a certain amount of funding to serve as the Minimum Funding
4 Guarantee, voters adopted two formulas (later adding a third) for determining the amount of
5 funding. One formula calculates the Minimum Funding Guarantee as a percentage of the State
6 General Fund, while the two other formulas require the Minimum Funding Guarantee to mirror
7 prior year funding for school districts and community college districts with increases to account
8 for cost-of-living inflation and other factors. This litigation concerns the State’s attempt to
9 rewrite the constitutional language of two of these formulas.

10 Enacted in June 2024 as part of the 248-page Education Omnibus Budget Trailer Bill,
11 subdivision (d) of Education Code section 41206.04 requires the Director of Finance to exclude
12 amounts of funding provided to school districts and community college districts from the
13 Proposition 98 calculation in certain years. When tax collection data is delayed, this statutory
14 provision directs allocations made to school districts and community college districts based on the
15 State’s own estimates for a fiscal year, later determined to exceed the Minimum Funding
16 Guarantee, be excluded from the Proposition 98 calculations for purposes of the following fiscal
17 year and all future years. This is directly contrary to the constitutional language of Proposition 98
18 which requires the inclusion of “total allocations” in its calculations.

19 There can be little doubt that voters intended Proposition 98 (as amended by Proposition
20 111) to provide an objectively-determined minimum level of education spending each year.
21 Because the constitutional provisions rely on formulas to set the Minimum Funding Guarantee,
22 implementation of the voters’ intent is fully dependent upon the integrity of the underlying
23 formulas. Attempts to manipulate the calculation of those formulas in a way that allows the State
24 to avoid its constitutional obligation violates the language and intent of Proposition 98.

25 As subdivision (d) of Education Code section 41206.04 is contrary to the plain language
26 and intent of the constitutional requirement, it should be declared unconstitutional and the
27 Director of Finance ordered to calculate the Minimum Funding Guarantee pursuant to the
28 Constitution.

PARTIES

1
2 1. Petitioner CALIFORNIA SCHOOL BOARDS ASSOCIATION (“CSBA”) is and
3 was at all relevant times, a California nonprofit corporation duly formed and validly existing
4 under the law of the State of California. CSBA is composed of the governing boards of nearly
5 1,000 K-12 school districts and county boards of education throughout California which support
6 local school board governance and advocates on behalf of school districts and county offices of
7 education before state and federal education policy makers. CSBA and its members are directly
8 affected by the State’s appropriations to K-12 school districts; any unconstitutional manipulation
9 of the calculation of the State’s minimum funding guarantee pursuant to Proposition 98 which
10 results in less funding for education than is legally required directly impacts CSBA and its
11 members. CSBA brings this action on its own behalf and on behalf of its members. CSBA
12 members would otherwise be entitled to bring this suit in their own right, the interests that CSBA
13 seeks to protect in this litigation are germane to its purpose, and neither the claim nor the relief
14 sought herein require the participation of individual members.

15 2. Petitioner EDUCATION LEGAL ALLIANCE (“ELA”) of CSBA is composed of
16 approximately 725 members of CSBA. The ELA consists of CSBA members that are committed
17 to addressing legal issues of statewide concern to school districts; the ELA has authorized this
18 litigation. ELA members are directly affected by the State’s appropriations to K-12 school
19 districts; any unconstitutional manipulation of the calculation of the State’s minimum funding
20 guarantee pursuant to Proposition 98 which results in less funding for education than is legally
21 required directly impacts ELA members. The ELA brings this action on its own behalf and on
22 behalf of its members. ELA members would otherwise be entitled to bring this suit in their own
23 right, the interests that the ELA seeks to protect in this litigation are germane to its purpose, and
24 neither the claim nor the relief sought herein require the participation of individual members.

25 3. Respondent JOE STEPHENSHAW (“Director of Finance”) is the Director of the
26 Department of Finance for the State of California. The Director of Finance has general powers of
27 supervision over all matters concerning the financial and business policies of the State. (Gov.
28 Code, § 13070.) As the chief fiscal advisor to the Governor, the Director of Finance directs the

1 preparation of the Governor’s Budget each year and the May revision. (Gov. Code, § 13308.)
2 Section 41206.04 requires the Director of Finance to unconstitutionally alter the calculation of
3 Proposition 98’s guaranteed minimum funding level in future years. STEPHENSHAW is named
4 herein in his official capacity only.

5 4. Respondent STATE OF CALIFORNIA (“State”) is the legal and political entity
6 required by article IX of the California Constitution to provide an educational system for
7 California students. Proposition 98, as codified in article XVI, section 8, requires the State to
8 provide K-14 education with minimum funding each year in accordance with the formulas
9 provided by that provision. While the formulas were slightly modified in 1990 by Proposition
10 111, the State remains responsible for ensuring that K-14 education receives its constitutionally
11 required share of state revenues each year as calculated by the formulas adopted by voters.

12 **JURISDICTION**

13 5. This Court has jurisdiction over this action pursuant to Code of Civil Procedure
14 sections 1060 and 1085.

15 **GENERAL ALLEGATIONS**

16 **Constitutional Calculation of The Minimum Funding Guarantee Under Proposition 98**

17 6. While those who submitted arguments for and against Proposition 98 in 1988 did
18 not agree on much, they did agree that, if adopted, the constitutional amendment would
19 “mandate[] a certain level of school funding” by taking “school financing out of politics by
20 ensuring a minimum funding level for schools which the Legislature and Governor must honor
21 except in fiscal emergencies.” (*Argument Against; Argument in Favor, Proposition 98, 1988.*) In
22 place of a specific numerical amount of funding, Proposition 98 specified two methods for
23 calculating the Minimum Funding Guarantee.

24 7. As the California Legislative Analyst’s Office (“LAO”) explained in 1990 when
25 voters were asked to amend Proposition 98:

26 Under existing law, two formulas are used to determine the minimum funding
27 guarantee for public schools and community colleges. One (known as
28 “percentage-of-revenues” formula) guarantees these schools and colleges
collectively receive the same percentage (about 41 percent) of state General Fund
tax revenues as that received in 1986-87. The other (known as the “maintenance-

1 of-effort” formula) guarantees these schools and colleges collectively their prior-
2 year funding level adjusted for increases in enrollment and changes in cost of
3 living. Whichever formula produced the *larger* amount determines the level of
4 state funding for these schools and colleges.

(*Analysis, Proposition III*, LAO, 1990, italics in original.)

5 8. The formulas or “tests” used to calculate the Minimum Funding Guarantee are
6 found in article XVI, section 8, subdivision (b). Subdivision (b)(1) outlines “Test 1:”

7 (1) The amount which, as a percentage of General Fund revenues which may be
8 appropriated pursuant to Article XIII B, equals the percentage of General Fund
9 revenues appropriated for school districts and community college districts,
10 respectively, in fiscal year 1986-87.

11 9. Currently, Test 1’s “percentage-of-revenues” formula, results in a funding level
12 equal to approximately 40% of the General Fund. (*The 2024-25 Budget: Proposition 98 and K-*
13 *12 Education*, LAO, February 2024, p. 7.) The calculation of Test 1 is not at issue in this
14 litigation.

15 10. Subdivision (b)(2) contains the original maintenance-of-effort formula and is
16 known as “Test 2.”

17 (2) The amount required to ensure that **the total allocations to school districts**
18 **and community college districts** from General Fund proceeds of taxes
19 appropriated pursuant to Article XIII B and allocated local proceeds of taxes **shall**
20 **not be less than the total amount from these sources in the prior fiscal year**,
21 excluding any revenues allocated pursuant to subdivision (a) of Section 8.5,
22 adjusted for changes in enrollment and adjusted for the change in the cost of
23 living pursuant to paragraph (1) of subdivision (e) of Section 8 of Article XIII B.
24 This paragraph shall be operative only in a fiscal year in which the percentage
25 growth in California per capita personal income is less than or equal to the
26 percentage growth in per capita General Fund revenues plus one half of one
27 percent.

28 11. Subdivision (b)(3), added by Proposition 111, created “Test 3,” an alternative
29 maintenance-of-effort formula.

30 (3) (A) The amount required to ensure that **the total allocations to school**
31 **districts and community college districts** from General Fund proceeds of taxes
32 appropriated pursuant to Article XIII B and allocated local proceeds of taxes **shall**
33 **equal the total amount from these sources in the prior fiscal year**, excluding
34 any revenues allocated pursuant to subdivision (a) of Section 8.5, adjusted for
35 changes in enrollment and adjusted for the change in per capita General Fund
36 revenues.

1 (B) In addition, an amount equal to one-half of one percent times the prior year
2 total allocations to school districts and community colleges from General Fund
3 proceeds of taxes appropriated pursuant to Article XIII B and allocated local
4 proceeds of taxes, excluding any revenues allocated pursuant to subdivision (a) of
5 Section 8.5, adjusted for changes in enrollment.

6 (C) This paragraph (3) shall be operative only in a fiscal year in which the
7 percentage growth in California per capita personal income in a fiscal year is
8 greater than the percentage growth in per capita General Fund revenues plus one
9 half of one percent.

10 12. Relevant to this dispute, while the adjustments applied by the Test 2 and Test 3
11 calculations are different, both formulas are constitutionally calculated based upon prior-year
12 allocations. Specifically, both begin with the “total amount ... in the prior fiscal year” from “the
13 total allocations to school districts and community college districts from General Fund proceeds
14 of taxes appropriated pursuant to Article XIII B and allocated local proceeds of taxes.” Thus, the
15 amount allocated to school districts and community college districts in a prior fiscal year,
16 regardless of whether it is equal to or exceeds the Minimum Funding Guarantee for that year,
17 becomes the base year amount upon which Test 2 and Test 3 are calculated in determining the
18 subsequent fiscal year’s Minimum Funding Guarantee. While voters could have adopted
19 maintenance-of-efforts tests which were based on the prior year’s Minimum Funding Guarantee,
20 they instead chose tests which incorporate the actual amount of allocations in those years.

21 13. Taken together, the Minimum Funding Guarantee in a given fiscal year is
22 determined by completing the calculations required by Tests 1, 2, and 3 with the greater of either
23 Test 1 or the lesser of Test 2 and Test 3 becoming the Minimum Funding Guarantee for that fiscal
24 year. While in recent fiscal years the amount calculated under Test 1 has been the highest, and
25 therefore used to set the Minimum Funding Guarantee, in 2023-24, Test 2 would have been the
26 operative test and the LAO has noted that Test 2 has been operative the most often. (*A Historical
27 Review of Proposition 98*, LAO, January 2017.)

28 14. As a practical matter, the calculation of the Minimum Funding Guarantee takes
place three times for each fiscal year. First, the Minimum Funding Guarantee is calculated in
advance of the fiscal year as a budget is formulated and adopted in June. Second, as the fiscal
year in question ends, the calculation is refined as part of the next budget cycle, which allows for

1 determination of the Minimum Funding Guarantee for the subsequent year. Third, the Education
2 Code mandates the Director of Finance recalculate the calculations required by Proposition 98 no
3 later than May 14 following the fiscal year, with final certification coming the following August.
4 (Ed. Code, § 41206.1.) By way of example, the Minimum Funding Guarantee for the 2022-23
5 fiscal year was originally included in the 2022-23 budget adopted in June 2022 (at \$110.4
6 billion), was revised for purposes of the 2023-24 budget in June 2023 (at \$107.4 billion), and then
7 certified in August 2024 (at \$103.7 billion).

8 15. In many years the difference between the calculated Minimum Funding Guarantee
9 and the total allocated in the fiscal year may be minimal. In other words, the actual allocations
10 and the calculated Minimum Funding Guarantee will be similar, if not identical. However,
11 regardless of the amount of any deviation, the Constitution requires that the actual total
12 allocation, not the Minimum Funding Guarantee, be used as the starting point when Test 2 or Test
13 3 are determined to be the operative Test for calculating the Minimum Funding Guarantee.
14 Consistent with the Constitution, the Education Code provisions enacted shortly after adoption of
15 Proposition 98 explain that in calculating Test 2 and Test 3 “Total allocations to school districts
16 and community college districts from General Fund proceeds of taxes appropriated pursuant to
17 Article XIII B,” shall mean “the sum of appropriations made that are for allocation to school
18 districts” with “[t]he full amount of any appropriation [being] included in the calculation of the
19 percentage required by paragraph (2) or (3) of subdivision (b) of Section 8 of Article XVI of the
20 California Constitution, without regard to any unexpended balance of any appropriation.” (Ed.
21 Code § 41202, subd. (e) [Stats. 1989, ch. 83, § 3].)

22 16. If the final certification results in a Minimum Funding Guarantee larger than the
23 amount previously appropriated for the fiscal year in question, the Education Code requires an
24 appropriation to make up the difference. However, if the amount allocated is more than the later
25 calculated Minimum Funding Guarantee, the total allocated is credited to the year being certified.
26 (Ed. Code, § 41206.03, subd. (b).) In other words, for purposes of Test 2 and Test 3, the higher of
27 the Minimum Funding Guarantee or actual allocated amount is used. Prior to June 2024, there
28 was no provision which required a reduction in prior year allocations or sanctioned the Director

1 of Finance to ignore the actual amount allocated in a prior fiscal year for purposes of Test 2 and
2 Test 3.

3 17. Together, prior to SB 153, these provisions outlined a process which was
4 consistent with constitutional language to the extent it required the calculation of Test 2 and Test
5 3 to incorporate all allocations to school districts and community college districts in the prior
6 year. This approach effectuates the voters' explicit intent to require school districts and
7 community college districts be funded at either a certain percentage of the state budget or the
8 same amount as the prior year adjusted for cost of living as detailed in the Constitution,
9 whichever is higher. There is no provision in the Constitution which allows the State to alter the
10 basic formula for calculating this Minimum Funding Guarantee.

11 **Governor's Abandoned Maneuver To Artificially**
12 **Lower Proposition 98's Minimum Funding Guarantee**

13 18. Shortly before the 2022-23 budget was adopted, the LAO began warning of a
14 downturn in revenues resulting from a potential recession. "Although predicting the next
15 recession is impossible, economic indicators currently suggest a heightened risk of recession
16 within two years." (*The 2022-23 Budget: Multiyear Budget Outlook*, LAO, May 2022, p. 3.)
17 Warnings from the LAO continued as the 2023-24 state budget came into focus. In its analysis of
18 the May Revise in May 2023, it noted "if the Legislature adopts the Governor's May Revision
19 proposals, the state very likely will face more budget problems over the next few years." (*The*
20 *2023-24 Budget: Multiyear Budget Outlook*, LAO, May 23, 2023.) The LAO recognized that
21 there could be a "wide range of possible outcomes" for state revenues, and while it projected
22 \$209 billion in revenues from the main three state tax sources (income, corporation, and sales tax)
23 for the 2022-23 year, it displayed a range to these revenues being \$20 billion higher or lower than
24 their projection. (*The 2022-23 Budget: May Revenue Outlook*, LAO, May 16, 2022.)
25 Notwithstanding these cautions, the 2023 Budget Act enacted on June 27, 2023 reflected
26 "Proposition 98 funding levels of \$110.6 billion in 2021-22, \$107.4 billion in 2022-23, and
27 \$108.3 billion in 2023-24." (*2023 Budget, K-12 Education*, p. 10.)
28

1 19. As the forecasted downturn in revenues became reality, the Governor’s January
2 proposal for the 2024-25 Budget included “revised Proposition 98 levels represent[ing] a decrease
3 of approximately \$11.3 billion over the three-year period relative to the 2023 Budget Act.” (*2024-*
4 *25 Proposed Budget, K-12 Education*, p. 16.) Notwithstanding the information provided by the
5 LAO and others previously, the proposed budget suggested that such a large reduction was due to
6 “the delay in the tax filing deadline to November 16 impact[ing] state revenue projections for
7 2022-23 available at the time the 2023 Budget Act was enacted.” (*Id.*) With this justification, the
8 budget proposed “statutory changes to address roughly \$8 billion of this decrease.” (*Id.*) These
9 “statutory changes” became known as the “maneuver.”

10 20. The LAO explained both the budgetary/financial reporting and Proposition 98
11 calculation impacts of the “maneuver:”

12 The school spending level the state previously approved for 2022-23 exceeds the
13 revised estimate of the Proposition 98 guarantee in the Governor’s budget by \$7.1
14 billion.... (The budget also proposes a similar shift affecting \$910 million in
15 community college spending.) ... Under the proposal, the state would reclassify
the \$7.1 billion above the guarantee as a non-Proposition 98 expenditure. It would
remove this expenditure from its books in 2022-23, then recognize the
expenditure gradually over a five-year period, beginning in 2025-26.

16 (*The 2024-25 Budget: Proposition 98 and K-12 Education*, LAO, February 15, 2024, p. 12.)

17 21. In other words, the maneuver would retroactively deem funds previously allocated
18 to school districts and community college districts as “non-Proposition 98 expenditures,”
19 excluding those funds as allocations to school districts and community colleges. This statutory
20 change would have artificially lowered the Minimum Funding Guarantee under Test 2 and Test 3
21 by excluding funds previously allocated to school districts and community college districts from
22 the Proposition 98 calculation for 2023-24 and all future years.

23 22. This proposal was quickly derided by CSBA and a coalition of statewide
24 educational organizations as unconstitutional. As CSBA noted at that time, if adopted, the
25 maneuver would lower current and future year funding otherwise guaranteed under Proposition
26 98. Further, the proposal would set a worrisome precedent, which if adopted could be used by
27 future Governors and Legislatures to fund public education in a manner that does not meet the
28 spirit, statutory, and constitutional requirements enshrined in Proposition 98.

1 27. Subdivision (d)(1) begins by explaining that its provisions apply in any future
2 fiscal year where extended tax filing deadlines “result in the delay of personal and corporate tax
3 revenue collection until after May 1 in counties that in total contributed more than 50 percent of
4 the state’s total personal and corporate tax revenue in the fiscal year immediately preceding the
5 fiscal year impacted by the tax filing extension.”

6 28. In such fiscal years, subdivision (d)(2) requires the Director of Finance to make
7 the following calculation, no later than January 10 of the subsequent fiscal year: “subtract the
8 total appropriations made to meet the state’s estimated minimum funding obligation for the
9 support of school districts and community college districts pursuant to subdivision (b) of Section
10 8 of Article XVI of the California Constitution in the impacted fiscal year” from “the minimum
11 funding obligation for the support of school districts and community college districts pursuant to
12 subdivision (b) of Section 8 of Article XVI of the California Constitution calculated with actual
13 tax revenue data for the impacted fiscal year.” If the Director of Finance determines that the
14 appropriations exceed the later-calculated Minimum Funding Guarantee, subdivision (d)(3)
15 directs that any amount in excess of the later-calculated Minimum Funding Guarantee is to be
16 ignored for purposes of Proposition 98, both in that fiscal year and all fiscal years thereafter.

17 29. In other words, subdivisions (d)(2) and (d)(3) require the following calculation:

18 Appropriations Towards Guarantee At The Time Of The Budget
19 - Guarantee As Calculated With Tax Data Received After Budget
 If Positive, Amount Ignored For Proposition 98 Purposes

20 This manipulation attempts to rewrite the Constitution without voter approval by allowing the
21 State to take a magic eraser to Proposition 98’s constitutional formulas.

22 30. Illustrating the conflict between the statutory language of section 41206.04 and the
23 constitutional language of Proposition 98 is subdivision (d)(3)(B). It states:

24 **The difference** [between the appropriations made and the later-calculated
25 Minimum Funding Guarantee] **shall not be included in the total allocations** to
26 school districts and community college districts from General Fund proceeds of
27 taxes pursuant to Article XIII B of the California Constitution made in the
28 impacted fiscal year in which the allocation is made **for purposes of calculating**
 the state’s minimum funding obligation pursuant to Section 8 of Article XVI of
 the California Constitution in the subsequent fiscal year.

1 In contrast, Test 2 and 3, as laid out in article XVI, section 8 require:

2 (2) The amount required to ensure that the total allocations to school districts and
3 community college districts from General Fund proceeds of taxes appropriated
4 pursuant to Article XIII B and allocated local proceeds of taxes **shall not be less**
5 **than the total amount from these sources** in the prior fiscal year, excluding any
6 revenues allocated pursuant to subdivision (a) of Section 8.5, adjusted for changes
7 in enrollment and adjusted for the change in the cost of living pursuant to
8 paragraph (1) of subdivision (e) of Section 8 of Article XIII B. This paragraph
9 shall be operative only in a fiscal year in which the percentage growth in
10 California per capita personal income is less than or equal to the percentage
11 growth in per capita General Fund revenues plus one half of one percent.

12 (3) (A) The amount required to ensure that the total allocations to school districts
13 and community college districts from General Fund proceeds of taxes
14 appropriated pursuant to Article XIII B and allocated local proceeds of taxes **shall**
15 **equal the total amount from these sources in the prior fiscal year**, excluding
16 any revenues allocated pursuant to subdivision (a) of Section 8.5, adjusted for
17 changes in enrollment and adjusted for the change in per capita General Fund
18 revenues.

19 31. In other words, the Constitution requires Tests 2 and 3 to consider the “total
20 amount” of the “allocations to school districts and community college districts from General Fund
21 proceeds of taxes appropriated pursuant to Article XIII B and allocated local proceeds of taxes”
22 while section 41206.04 directs that the State, and specifically the Director of Finance, exclude
23 any difference between the total allocations made and the later-calculated Minimum Funding
24 Guarantee in applying Tests 2 and 3.

25 32. Subdivision (d) is unconstitutional. The provisions adopted by voters
26 unambiguously require Test 2 and 3 to be calculated based on the “total amount” of the
27 “allocations to school districts and community college districts from General Fund proceeds of
28 taxes appropriated pursuant to Article XIII B and allocated local proceeds of taxes.” The State
cannot change this requirement without voter approval and the Court must not disregard or blink
at this clear constitutional mandate. Instead, subdivision (d) must be declared unconstitutional,
and the Director of Finance ordered to refrain from implementing its alterations to the calculation
of the Minimum Funding Guarantee.

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FIRST CAUSE OF ACTION

DECLARATORY RELIEF

Code of Civil Procedure Section 1060

33. Petitioners re-allege and incorporate by reference as though fully set forth herein the allegations of each and every other paragraph in this petition/complaint.

34. An actual controversy has arisen and now exists between and among Petitioners and Respondents over the constitutionality of Education Code section 41206.04, subdivision (d).

35. Petitioners seek a judicial determination of the rights and legal duties of the parties and a declaration that:

- a. Subdivisions (b)(2) and (b)(3) of article XVI, section 8 require the total amount of allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B and allocated local proceeds of taxes, even where that amount exceeds the calculated Minimum Funding Guarantee for the given fiscal year, to be used in determining the amount of moneys to be applied by the State for support of the public school system and public institutions of higher education for the subsequent fiscal year.
- b. In applicable fiscal years, Education Code section 41206.04, subdivision (d) requires the exclusion of a portion of these allocations in determining the amount of moneys to be applied by the State for support of the public school system and public institutions of higher education for the subsequent fiscal year pursuant to subdivisions (b)(2) and (3) of article XVI, section 8.
- c. Education Code section 41206.04, subdivision (d) is unconstitutional as it conflicts with the requirements of subdivisions (b)(2) and (3) of article XVI, section 8.

SECOND CAUSE OF ACTION

WRIT OF MANDATE

Code of Civil Procedure Section 1085

36. Petitioners re-allege and incorporate by reference as though fully set forth herein the allegations of each and every other paragraph in this petition/complaint.

1 37. Respondents and those public officers and employees acting by and through their
2 authority, have a clear, present, and ministerial duty to comply with the requirements of article
3 XVI, section 8 of the California Constitution as follows:

- 4 a. Subdivision (a) requires the State to “first ... set apart the moneys to be applied by
5 the State for support of the public school system and public institutions of higher
6 education” and that this amount shall not be less than the amount calculated under
7 subdivision (b).
- 8 b. Subdivision (b)(2) requires the determination of the “amount required to ensure
9 that the total allocations to school districts and community college districts from
10 General Fund proceeds of taxes appropriated pursuant to Article XIII B and
11 allocated local proceeds of taxes shall not be less than the total amount from these
12 sources in the prior fiscal year ... adjusted for changes in enrollment and adjusted
13 for the change in the cost of living pursuant to paragraph (1) of subdivision (e) of
14 Section 8 of Article XIII B.”
- 15 c. Subdivision (b)(3) requires the determination of the “amount required to ensure
16 that the total allocations to school districts and community college districts from
17 General Fund proceeds of taxes appropriated pursuant to Article XIII B and
18 allocated local proceeds of taxes shall equal the total amount from these sources in
19 the prior fiscal year ... adjusted for changes in enrollment and adjusted for the
20 change in per capita General Fund revenues.”
- 21 d. For purposes of subdivisions (b)(2) and (b)(3), Respondents are required to include
22 the total allocations in the calculation, and may not exclude any portion of the
23 allocation from the calculation, even if the total allocations exceed the Minimum
24 Funding Guarantee for the given fiscal year.

25 38. As Education Code section 41206.04, subdivision (d) directs Respondents to
26 exclude a portion of the allocations in completing the Test 2 and Test 3 calculation, it is
27 inconsistent with the Constitution, violating the foregoing duties of the Respondents.
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39. Petitioners have no plain, speedy, or adequate remedy at law to correct the statutory-directed failure of Respondents to comply with the Constitution.


40. Petitioners are beneficially interested in a peremptory writ of mandate compelling Respondents, and those public officers and employees acting by and through their authority, to comply with article XVI, section 8 of the California Constitution and directing Respondents to take such steps as are necessary to ensure that Respondents properly calculate the Minimum Funding Guarantee, including but not limited to, including the total amount allocated to school districts and community college districts in a given fiscal year in completing the Test 2 and Test 3 calculation regardless of whether the total amount allocated exceeds the Minimum Funding Guarantee for that fiscal year.

WHEREFORE, Petitioners pray for relief as follows:

- 1. That this Court issue declaratory judgment, as requested;
- 2. That this Court order the issuance of a peremptory writ of mandate, as requested;
- 3. For reasonable attorneys' fees and costs of suit herein; and,
- 4. For other and further relief as the Court deems just and proper.

DATED: September 23, 2024

DANNIS WOLIVER KELLEY

By: 
WILLIAM B. TUNICK
Attorneys for Petitioners
CALIFORNIA SCHOOL BOARDS
ASSOCIATION and EDUCATION LEGAL
ALLIANCE

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VERIFICATION

I, Kristin Lindgren-Bruzzone, declare:

I am the General Counsel for California School Boards Association and its Education Legal Alliance, parties to this action, and am authorized to make this verification for and on their behalf and I make this verification for that reason.

I have read the foregoing VERIFIED PETITION FOR WRIT OF MANDATE AND COMPLAINT FOR DECLARATORY RELIEF and know the contents thereof. The information necessary to prepare said document came from various sources both within and outside California School Boards Association, and was gathered by various agents, employees or attorneys on behalf of said entity. To the best of my knowledge and belief the information contained in said document is true and complete.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed September 23, 2024, in West Sacramento, California.


Kristin Lindgren-Bruzzone