

## CHAPTER 2

# HISTORY OF SCHOOL DISTRICT ORGANIZATION IN CALIFORNIA

This chapter will be useful to community members, school district administrators, and county committees on school district organization alike to know the history of the changes in school district organization. The chapter discusses the various methods used over the years by the Legislature to attempt consolidation and overall reduction in the number of school districts.

### NOTE:

The guidance in this handbook is not binding on local educational agencies or other entities. Except for statutes, regulations, and court decisions that are referenced herein, the handbook is exemplary, and compliance with it is not mandatory (see California *Education Code* Section 33308.5).

## **A. Brief History of School District Organization**

### **1. Early Organization**

School district organization began with the provisions for school support established by the framers of California's Constitution in 1849. With increases in population and movement from an agricultural-based economy, the educational needs in the state grew at a rapid pace. By 1935 there were over 3,500 school districts in the state.

About that same time, new laws made it possible to combine elementary and high school districts into a single district under one board of education defined as a "unified" school district.

In addition to the process of unification, another common method of change in school district organization had been "annexation." This process has been referred to as "unionization" or "consolidation" in the past, but the basic meaning is the same. Annexation occurs when two or more like districts (e.g., two or more elementary school districts) join to form a single district through the process of reorganization.

### **2. Process of Reorganization**

Modern school district reorganization in California began in 1945 with the passage of the Optional Reorganization Act, drafted by the State Reconstruction and Reemployment Commission. This Act addressed the problems that resulted from the past practices of school district organization. One result of the Optional Reorganization Act was the formation of the Commission on School Districts. This commission was created to conduct surveys, establish committees, and make recommendations to the State Board of Education.

By 1945, the number of school districts in the state had been reduced to 2,568. In 1949, the Commission on School Districts was disbanded, and the responsibility for school district organization fell to the State Board of Education. Provisions were made for counties to carry on the work the commission had started. To assist the counties in this effort, the California Department of Education established the Bureau of School District Organization, which acted as an advisory group within the Division of Public School Administration. In the four years the Commission on School Districts was active, it was able to reduce the number of districts another 18 percent, to a total of 2,111 districts.

### 3. Early Attempts to Establish Incentives for Reorganization

Among the recommendations of the Commission on School Districts was a proposal that unified school districts be rewarded with a higher level of support. Incentives for unification included state assistance for capital outlay and transportation.

In 1950, a law was enacted to provide state funding for the excess cost of transportation incurred as a result of unification, including the purchases of buses. The funding was limited to the first five years of the existence of a unified school district.

In 1951, the funding level for unified school districts was increased by \$5 per unit of average daily attendance (ADA) for the first five years of existence. This amount was hardly enough to interest any but the most needy of school districts.

In 1953, the funding level of a unified school district formed by county committee recommendation was increased by 5 percent in the first year; but each year thereafter it was diminished by 1 percent until the district was back to normal funding levels. This change did provide a substantial increase for the first year but was temporary and diminishing in value. It did have some beneficial influence, and a number of districts were formed with the temporary increased support in mind.

In 1959, the Legislature provided both an incentive and a deadline in the form of a new law. The incentive was that unless reorganization was achieved locally, the California Department of Education would initiate the action.

The new statute required that on or before September 15, 1964, each county committee must have submitted to the State Board of Education a master plan of school district organization for its county—to consist either of a system of unified school districts or of such organization as would constitute an intermediate step to unification. If the county committee failed to submit such a plan, the California Department of Education would do so by September 15, 1965. This action caused an increase in the number of plans reaching the State Board of Education, and the number of proposals approved by electors increased.

In spite of these legislative attempts at reorganization, the reluctance of people to accept unification without perceiving tangible financial benefits was considerable; but progress was made in the reduction of the number of school districts in the state. From 1935 to 1945, the total number of school districts in California decreased from 3,500 to 2,508. From 1945 to July 1, 1964, the total number of elementary and high school districts was reduced from 2,508 to 1,325. Unified school districts increased in number from 46 to 164.

#### 4. Reorganization and Assembly Bill 145

In 1964, major new legislation was passed in the form of a bill introduced by Assemblyman Jesse Unruh, which offered new incentives for school districts that reorganized and new disincentives for districts that chose not to reorganize. This bill; AB 145, provided a mandate for unification but was primarily a financial measure. Unified school districts were to be formed according to plans formulated by the State Board of Education.

This bill made its position clear by providing a statement of intent that the unified school district should be the ultimate form of school district organization in the state. Thus minimum standards for both numbers of students and geographical size were established for school district organization.

A school district could be divided into two or more unified districts. However, each resulting district must be adequate in size and financial ability and not deviate materially in wealth (assessed valuation) per pupil in ADA from the district from which it was created.

To encourage voters to form unified school districts, AB 145 stipulated that the funding level for qualified unified school districts be increased by \$15 per ADA In addition to increasing support for unified school districts, for each elementary school district that voted in favor of unification, even if the whole proposition failed, the funding level of that district would be increased by \$15 per ADA The law required that unification had to be along high school district boundaries, but each elementary school district had to have a "yes" vote. If one district voted "no," the unification failed; but those voting "yes" received a bonus.

These were to be permanent increases in the level of support. In 1967, the incentive was increased to give \$20 per ADA "for more efficiently organized districts."

The Legislature granted a series of reprieves from this mandatory election until 1972, when the Master Plan in each county was voted on (with few exceptions). Through June 30, 1974, the total number of elementary and high school districts in the state was reduced to 1,048, a decrease of 529 from 1964, and the total number of unified districts increased from 164 to 253.

#### 5. The Thompson Bill, Senate Bill 1537

In the 1994 session of the State Legislature, Senate Bill (SB) 1537 was enacted, making significant adjustments to school district organization statutes. The bill, affecting reorganizations approved by the State Board of Education after January 1995, makes it possible for a high school district

to unify without affecting all of the feeder elementary school districts by allowing individual feeder elementary school districts to request that the State Board of Education exclude them from a unification of the high school district in which they are located [EC 35542(b)]. The effect of the legislation is that elementary school districts can exist within the boundaries of a unified school district. Voters in those districts that wish to unify are not impeded if the residents of one or more smaller feeder school districts opt not to be included in the process.

The computation of a newly unified school district's revenue limit was also clarified by SB 1537. A sentence of more than 300 words in the old statute was replaced by a step-by-step procedure to calculate a new revenue limit. Revenue limit changes attributable to an adjustment for salaries and benefits in the former districts are limited to a maximum increase of 10 percent over the blended revenue limits. (EC 35735, 35735.1)

Also enacted was a provision that an elementary school district that unifies does not actually receive all of the additional unified school district revenue limit income until it houses and educates its own high school students. (EC 35735.2) The school district of attendance receives credit for the ADA of the secondary students in the interim. SB 1537 (EC 46304) removed the time limits (three years under the previous *Education Code* provisions) for contracting for the education of pupils in another district when the district of residence lacks suitable facilities.

If the new school district is unable to house all of its own secondary students within five years after unification, an annual review process by the California Department of Education will begin. Recommendations will be made to the State Board of Education, which has the authority to direct the county committee on school district organization to lapse the newly unified school district if unsatisfactory progress is being made toward housing and educating all of the district's secondary students. Lapsation is not automatic but can be imposed if the State Board of Education believes it is warranted. There is no maximum limit to the number of annual reviews that are possible before lapsation can be ordered. (EC 35735.2)

## 6. Attempts to Reorganize Los Angeles Unified School District

Legislative attempts to divide the Los Angeles Unified School District (LAUSD) have been made since at least the 1970s when enabling legislation was introduced and passed but vetoed by Governor Reagan. Since then, hearings have been held and bills introduced to no effect until 1995, when two measures were signed into law on the issue. Assembly Bill 107 [EC 35700(b), 35721(b)] lowered the threshold for the number of petition signatures required to initiate a school district reorganization petition, while Senate Bill 699 (EC 35730.1) imposed conditions that must be met by any new school district created from LAUSD.

7. Results of Reorganization

The impact of voluntary reorganization has not been dramatic. From 1971-72 through 2008-09, the total number of school districts declined as indicated in Table 2.1.

**Table 2.1**  
**Change in Number of School Districts**

<b>Type of School District</b>	<b>1971-72</b>	<b>2008-09</b>	<b>Change</b>
Unified	242	333	+91
Elementary	709	550	-159
High	117	84	-33
Total	1,068	967	-101

Since 1931-32, when there were 3,595 school districts in California, the total number of districts has decreased by 2,628, or 73 percent. The pace of change in school district organization may have slowed, but it is still proceeding at a steady rate.

8. 2002 California Master Plan for Education

In 1999, the Legislature passed Senate Concurrent Resolution 29, which called for the creation of a new Master Plan for Education. This Master Plan, finalized in 2002, contains recommendations that the State take steps to bring all school districts into unified structures and that the Legislature develop fiscal and governance incentives to promote local communities organizing their schools into unified districts.

Enabling legislation will be required to enact any of the recommendations in the Master Plan. Therefore, the effects of these recommendations on school district organization, if any, cannot be determined at this time.

**B. California School District Organization Data**

Table 2.2 on the next page shows the number of each type of school district in California, by selected years, since 1932. It also indicates the total number of districts in each of the years shown.

**Table 2.2**  
**Number of California School Districts, by Type and by Selected Years**

<i>Year</i>	<i>Unified</i>	<i>Elementary</i>	<i>High</i>	<i>Total</i>
1932				3,579
1935-36	0	2,735	295	3,030
1940-41 <sup>1</sup>	40	2,512	265	2,817
1945-46	46	2,248	260	2,554
1950-51	67	1,779	245	2,091
1955-56	92	1,533	233	1,858
1960-61	119	1,316	221	1,636
1963-64 <sup>2</sup>	155	1,179	201	1,535
1964-65	164	1,129	196	1,489
1965-66	191	998	168	1,357
1966-67	228	829	132	1,189
1967-68	235	752	120	1,107
1970-71	240	712	118	1,070
1971-72 <sup>3</sup>	242	709	117	1,068
1973-74	251	689	114	1,054
1974-75	253	680	115	1,048
1979-80 <sup>4</sup>	263	664	115	1,042
1985-86	271	645 <sup>5</sup>	112 <sup>6</sup>	1,028 <sup>7</sup>
1986-87	278	635	112	1,025
1987-88	279	633	112	1,024
1988-89	283	623	111	1,017
1989-90	287	613	110	1,010
1990-91	288	612	110	1,010
1991-92	291	609	109	1,009
1992-93	296	601	109	1,006
1993-94	302	593	104	1,002
1994-95	305	590	106	1,001
1995-96	309	586	104	999
1996-97	310	585	104	999
1997-98	315	580	99	994
1998-99	323	572	93	988
1999-2000	323	571	93	987
2004-05	329	562	88	979
2008-09	333	550	84	967

<sup>1</sup> Passage of coterminous boundary laws

<sup>2</sup> Passage of unification laws

<sup>3</sup> Last mandated unification election

<sup>4</sup> Passage of voluntary reorganization laws

<sup>5</sup> Seventy-eight percent decrease in elementary school districts in 50 years

<sup>6</sup> Sixty-three percent decrease in high school districts in 50 years

<sup>7</sup> Seventy-two percent decrease in number of school districts in 50 years