

California Department of Education

Executive Office

SBE-003 (REV. 11/2017)

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# California State Board of Education January 2021 Agenda Item #13

## Subject

The 2021 World Languages Instructional Materials Adoption: Requests for Reduction of the Publisher Participation Fee.

## Type of Action

Action, Information

## Summary of the Issue(s)

The California State Board of Education (SBE) has scheduled a World Languages adoption of instructional materials for kindergarten through grade eight in 2021. California *Education Code* (*EC*) Section 60212 requires the California Department of Education (CDE) to assess a fee from participating publishers but also allows the SBE to approve publishers’ fee reduction requests based upon specific criteria. This item presents for SBE approval these publisher fee reduction requests.

## Recommendation

The CDE recommends that the SBE approve the fee reductions for each publisher as listed in the 2021 World Languages Instructional Materials Adoption Publisher Fee Reduction Requests (Attachment 1).

## Brief History of Key Issues

*EC* Section 60212 includes the provision that upon the request of a small publisher or small manufacturer the SBE may reduce the fee for participation in the adoption. This law defines "small publisher" and "small manufacturer" as “an independently owned or operated publisher or manufacturer that is not dominant in its field of operation and that, together with its affiliates, has 100 or fewer employees, and has average annual gross receipts of ten million dollars ($10,000,000) or less over the previous three years.”

*California Code of Regulations*, Title 5, Section 9517.3, adopted by the SBE at its November 2016 meeting, establishes the publisher fees for this adoption at $5,000 per grade level for each program submitted for review, the criteria for determining if a publisher is eligible for a reduced fee, and the process for requesting the reduction.

In accordance with statute and regulations, the SBE’s approval of fee reductions is required.

## Summary of Previous State Board of Education Discussion and Action

At its March 2013 meeting, the SBE approved publisher fee reduction requests for the 2014 Mathematics Instructional Materials Adoption in the same manner as this request. At its January 2017 meeting, the SBE approved publisher fee reduction requests for the 2017 History-Social Science Instructional Materials Adoption. At its January 2018 meeting, the SBE approved publisher fee reduction requests for the 2018 Science Instructional Materials Adoption.

## Fiscal Analysis (as appropriate)

Pursuant to *EC* Section 60212, the CDE notified all known publishers that if they are interested in participating in this instructional materials adoption process, state law and regulations require that they pay a fee to offset the cost of conducting the adoption. The CDE will know the extent of publisher participation by February 11, 2021, which is the due date for the submission of the publishers Intent to Submit Form. The CDE will use this form to assess the publisher fees, including the reduced fees authorized via this SBE agenda item. The CDE will assess publisher participation fees based upon the number of programs and grade levels for which they submit, pursuant to law. Following the receipt of the assessed fees, the CDE will begin the process of associating costs via the approved accounting systems process. The CDE estimates the cost of the upcoming World Languages adoption at $125,000, exclusive of staff costs.

## Attachment(s)

Attachment 1: 2021 World Languages Instructional Materials Adoption Publisher Fee Reduction Requests (1 page)

# 2021 World Languages Instructional Materials Adoption Publisher Fee Reduction Requests

The publishers listed below meet the criteria identified in California *Education Code* Section 60213 and *California Code of Regulations*, Title 5, Section 9517.3 for “small publisher” status. Each provided information indicating that it:

1. Is an independently owned or operated publisher or manufacturer that is not dominant in its field of operation;
2. Together with its affiliates has 100 or fewer employees; and
3. Has average annual gross receipts of $10 million ($10,000,000) or less over the previous three years.

For the publishers listed below, each of whom have applied for this reduction, the California Department of Education recommends the following reduced participation fees for the 2021 World Languages Instructional Materials Adoption:

| Publisher | 3-year average of gross receipts | 3-year average of gross receipts percentage of $10,000,000 | Recommended participation fee –per grade level, per program submitted for review |
| --- | --- | --- | --- |
| Klett USA | $440,622 | 4.41% | $353 |
| Foundation for Korean Language & Culture in the USA | $541,282 | 5.41% | $433 |