# SETTLEMENT IMPLEMENTATION AGREEMENT

It is hereby agreed among the Plaintiffs (Sasha E., through her guardian ad litem Thomas E., Russell W., through his guardian ad litem Tiana W., Bella G. and Alex G., through their guardian ad litem Samantha G., Judith B., through her guardian ad litem Sophie B., Fathers & Families of San Joaquin, CADRE, Azalee Green, and David Moch) and the Defendants (the State of California, the State Board of Education (SBE), the Superintendent of Public Instruction (SPI), and the California Department of Education (CDE)) (collectively, the "Settling Parties") in *Ella T. et al. v. State of California*, Case Number BC685730 in the Superior Court in and for the City and County of Los Angeles ("the Action") that:

## I. Settlement Covenants

1. Defendants agree to propose legislation during the 2020-21 legislative session that implements the elements set forth in sections I and II of the fully executed December 19, 2019 Settlement Term Sheet attached to this Settlement Agreement as **Exhibit A** and incorporated herein. Hereinafter, sections I and II of the Settlement Term Sheet shall be referred to as the "Proposed Legislation."

2. The Settling Parties agree to the separate covenants and terms stated in sections III, IV, V, and VI of the Settlement Term Sheet.

3. The Settling Parties agree to the procedures and obligations stated under the heading "Settlement Process" in Section VII of the Settlement Term Sheet.

4. The Settling Parties agree to the "Covenants Regarding Conduct After Settlement and Before Enactment" included in Section VII of the Settlement Term Sheet.

## II. Attorneys' Fees and Costs

5. Subject to appropriation by the Legislature, and within 75 days after Notice of Entry of Dismissal of the Action pursuant to the procedure stated under the heading Settlement Process in section VII of the Settlement Term Sheet, Defendants will pay Plaintiffs attorneys' fees and costs in the amount of $1.9 million dollars ($1,900,000) in full and final settlement of any and all attorneys' fees and costs claims that have been or could have been or could be made in this case. Payment shall be made by check payable to either Morrison & Foerster or Public Counsel at a bank account jointly designated by Morrison Foerster and Public Counsel in writing at the time of the dismissal of the Action. Plaintiffs' counsel, and not the Defendants, shall be responsible for any division or allocation of the payment between them. Once received, this payment shall constitute full resolution of any and all claims for attorneys' fees and/or costs by Plaintiffs arising from and related to the Action, including any costs or fees for implementation, monitoring, and/or oversight of this Settlement Agreement. Upon receipt of the payment, Plaintiffs and their counsel waive and release Defendants and any and all State entities and officials from any and all claims for attorneys' fees and costs in this Action, past, present, and future, including any fees or costs incurred by any counsel working on plaintiffs' behalf in monitoring the activities contemplated by the Settlement Agreement. This release is binding on Plaintiffs' heirs, representatives, successors, assigns, agents and attorneys. Aside from the payment of $1.9 million dollars by Defendants to Plaintiffs, the Settling Parties shall bear their own respective expenses and costs arising out of this Action.

6. If Plaintiffs dismiss this Action with prejudice and payment is not made,

either Plaintiffs or their counsel, as defined in paragraph 5 above, shall have the right to recover the $1,900,000 in an action directly against the state.

7. In the event Plaintiffs do not dismiss this Action with prejudice, and the stay of the Action is lifted pursuant to the procedure stated under the heading Settlement Process in section VII of the Settlement Term Sheet, the above provisions regarding the payment of attorneys' fees and costs shall be null and void. In the event the stay of this Action is lifted, and if Plaintiffs seek attorneys' fees and costs from Defendants after trial or other resolution of this Action, there shall be no application for attorneys' fees and costs for any time between the date this Settlement Agreement is executed and the date Plaintiffs provide notice that the Legislature has passed legislation that does not substantially conform to the Proposed Legislation (pursuant to the procedures set forth in section VII of the Settlement Term Sheet), other than for the following work pertaining to implementation of the Settlement Agreement: any filings required by the court, attendance at court hearings, if any, by one attorney each from Morrison and Foerster and Public Counsel, and the evaluation of whether the final legislation substantially conforms with the Proposed Legislation, to the extent that Defendants have not already advised Plaintiffs that the final legislation does not substantially conform with the Proposed Legislation.

## III. Miscellaneous Covenants

8. This Settlement Agreement is made under and shall be construed and enforced in accordance with the laws of the State of California, without giving effect to its conflicts of law principles that would require or permit a court to consider the laws of any other state.

9. This Settlement Agreement shall not be cited or relied upon by any of the parties in this or in any other litigation or proceeding, and the parties covenant that they will not seek its admission in evidence in this or any other litigation or proceeding, except for the limited purpose of enforcing this Settlement Agreement.

10. This is a settlement of disputed claims. Nothing in this Settlement Agreement shall be interpreted or construed as an admission of liability or wrongdoing by any Defendant.

11. The Settling Parties represent that they have authority to sign this Settlement on behalf of their respective parties, subject only to the conditions and approvals discussed explicitly in this document.

12. The Settling Parties acknowledge that they have each read this Settlement Agreement, that they understand its meaning and intent, that they have executed it voluntarily and with opportunity to consult with legal counsel, and have participated and had an equal opportunity to participate in the drafting and approval of drafting of this Settlement Agreement.

13. This Settlement Agreement may be signed in separate counterparts, each of which shall be deemed an original, and said counterparts shall together constitute one and the same Settlement Agreement, binding all parties hereto notwithstanding that all of the parties are not signatory to the original or same counterpart.

14. The Settlement Agreement shall be deemed fully executed as of the date of the last signature.

15. The parties understand and agree that this Settlement Agreement (including the Exhibits incorporated in it) constitutes the sole agreement among them to settle this

Action. Any modification to the Settlement Agreement or the incorporated terms of Exhibits A & B must be made in writing and signed by all Parties to this Settlement Agreement.

Dated: 1/30/20, 20

Plaintiffs

SASHA E., THROUGH HER GUARDIAN AD LITEM THOMAS E., *Plaintiff*

By: Thomas E.

RUSSELL W., THROUGH HIS GUARDIAN AD LITEM TIANA W., *Plaintiff*

By:_____

BELLA G. AND ALEX G., THROUGH THEIR GUARDIAN AD LITEM SAMANTHA G., *Plaintiff*

By:_____

JUDITH B., THROUGH HER GUARDIAN AD LITEM SOPHIE B., *Plaintiff*

By:_____

FATHERS & FAMILIES OF SAN JOAQUIN, *Plaintiff*

By:_____

CADRE, *Plaintiff*

By:_____

AZALEE GREEN, *Plaintiff*

By:_____

Action. Any modification to the Settlement Agreement or the incorporated terms of Exhibits A & B must be made in writing and signed by all Parties to this Settlement Agreement.

Dated: 01 28, 20

Plaintiffs

SASHA E., THROUGH HER GUARDIAN AD LITEM THOMAS E., *Plaintiff*

By:_____

RUSSELL W., THROUGH HIS GUARDIAN AD LITEM TIANA W., *Plaintiff*

By: Tiana W

BELLA G. AND ALEX G., THROUGH THEIR GUARDIAN AD LITEM SAMANTHA G., *Plaintiff*

By:_____

JUDITH B., THROUGH HER GUARDIAN AD LITEM SOPHIE B., *Plaintiff*

By:_____

FATHERS & FAMILIES OF SAN JOAQUIN, *Plaintiff*

By:_____

CADRE, *Plaintiff*

By:_____

AZALEE GREEN, *Plaintiff*

By:_____

Action. Any modification to the Settlement Agreement or the incorporated terms of Exhibits A & B must be made in writing and signed by all Parties to this Settlement Agreement.

Dated: 01 27, 20

Plaintiffs

SASHA E., THROUGH HER GUARDIAN AD LITEM THOMAS E., *Plaintiff*

By:_____

RUSSELL W., THROUGH HIS GUARDIAN AD LITEM TIANA W., *Plaintiff*

By:_____

BELLA G. AND ALEX G., THROUGH THEIR GUARDIAN AD LITEM SAMANTHA G., *Plaintiff*

By:_____

JUDITH B., THROUGH HER GUARDIAN AD LITEM SOPHIE B., *Plaintiff*

By:_____

FATHERS & FAMILIES OF SAN JOAQUIN, *Plaintiff*

By:_____

CADRE, *Plaintiff*

By:_____

AZALEE GREEN, *Plaintiff*

By:_____

Action. Any modification to the Settlement Agreement or the incorporated terms of Exhibits A & B must be made in writing and signed by all Parties to this Settlement Agreement.

Dated: Jan 28, 20

Plaintiffs

SASHA E., THROUGH HER GUARDIAN AD LITEM THOMAS E., *Plaintiff*

By:_____

RUSSELL W., THROUGH HIS GUARDIAN AD LITEM TIANA W., *Plaintiff*

By:_____

BELLA G. AND ALEX G., THROUGH THEIR GUARDIAN AD LITEM SAMANTHA G., *Plaintiff*

By:_____

JUDITH B., THROUGH HER GUARDIAN AD LITEM SOPHIE B., *Plaintiff*

By:_____

FATHERS & FAMILIES OF SAN JOAQUIN, *Plaintiff*

By:_____

CADRE, *Plaintiff*

By:_____

AZALEE GREEN, *Plaintiff*

By:_____

settle this Action. Any modification to the Settlement Agreement or the incorporated terms of Exhibits A & B must be made in writing and signed by all Parties to this Settlement Agreement.

Dated: January 31, 2020

Plaintiffs

SASHA E., THROUGH HER GUARDIAN AD LITEM THOMAS E., *Plaintiff*

By:_____

RUSSELL W., THROUGH HIS GUARDIAN AD LITEM TIANA W., *Plaintiff*

By:_____

BELLA G. AND ALEX G., THROUGH THEIR GUARDIAN AD LITEM SAMANTHA G., *Plaintiff*

By:_____

JUDITH B., THROUGH HER GUARDIAN AD LITEM SOPHIE B., *Plaintiff*

By:_____

FATHERS & FAMILIES OF SAN JOAQUIN, *Plaintiff*

By:_____

CADRE, *Plaintiff*

By:_____

AZALEE GREEN, *Plaintiff*

By:_____

Action. Any modification to the Settlement Agreement or the incorporated terms of Exhibits A & B must be made in writing and signed by all Parties to this Settlement Agreement.

Dated: Feb 5, 2020

Plaintiffs

SASHA E., THROUGH HER GUARDIAN AD LITEM THOMAS E., *Plaintiff*

By:_____

RUSSELL W., THROUGH HIS GUARDIAN AD LITEM TIANA W., *Plaintiff*

By:_____

BELLA G. AND ALEX G., THROUGH THEIR GUARDIAN AD LITEM SAMANTHA G., *Plaintiff*

By:_____

JUDITH B., THROUGH HER GUARDIAN AD LITEM SOPHIE B., *Plaintiff*

By:_____

FATHERS & FAMILIES OF SAN JOAQUIN, *Plaintiff*

By:_____

CADRE, *Plaintiff*

By: Marie Chin

AZALEE GREEN, *Plaintiff*

By:_____

Action. Any modification to the Settlement Agreement or the incorporated terms of Exhibits A & B must be made in writing and signed by all Parties to this Settlement Agreement.

Dated: January 28, 2020

Plaintiffs

SASHA E., THROUGH HER GUARDIAN AD LITEM THOMAS E., *Plaintiff*

By:_____

RUSSELL W., THROUGH HIS GUARDIAN AD LITEM TIANA W., *Plaintiff*

By:_____

BELLA G. AND ALEX G., THROUGH THEIR GUARDIAN AD LITEM SAMANTHA G., *Plaintiff*

By:_____

JUDITH B., THROUGH HER GUARDIAN AD LITEM SOPHIE B., *Plaintiff*

By:_____

FATHERS & FAMILIES OF SAN JOAQUIN, *Plaintiff*

By:_____

CADRE, *Plaintiff*

By:_____

AZALEE GREEN, *Plaintiff*

By: Azalee Green

DAVID MOCH, *Plaintiff*

By: David E. Moch

Defendants

STATE BOARD OF EDUCATION, *Defendant*

By:_____

Linda Darling Hammond
State Board President

CALIFORNIA DEPARTMENT OF EDUCATION,
*Defendant*

By:_____

Lupita Cortez Alcalá
Chief Deputy Superintendent of Public Instruction

STATE SUPERINTENDENT OF PUBLIC INSTRUCTION TONY THURMOND, *Defendant*

By:_____

Tony Thurmond
State Superintendent of Public Instruction

THE STATE OF CALIFORNIA, *Defendant*

By:_____

Kelli Evans
Chief Deputy Legal Affairs Secretary
Office of Governor Gavin Newsom

DAVID MOCH, *Plaintiff*

By:_____

Defendants

STATE BOARD OF EDUCATION, *Defendant*

By: Linda Darling-Hammond 1/30/20

Linda Darling Hammond
State Board President

CALIFORNIA DEPARTMENT OF EDUCATION,
*Defendant*

By:_____

Lupita Cortez Alcalá
Chief Deputy Superintendent of Public Instruction

STATE SUPERINTENDENT OF PUBLIC INSTRUCTION TONY THURMOND, *Defendant*

By:_____

Tony Thurmond
State Superintendent of Public Instruction

THE STATE OF CALIFORNIA, *Defendant*

By:_____

Kelli Evans
Chief Deputy Legal Affairs Secretary
Office of Governor Gavin Newsom

DAVID MOCH, *Plaintiff*

By:_____

Defendants

STATE BOARD OF EDUCATION, *Defendant*

By:_____

Linda Darling Hammond
State Board President

CALIFORNIA DEPARTMENT OF EDUCATION,
*Defendant*

By: _____ 1/31/2020

Lupita Cortez Alcalá
Chief Deputy Superintendent of Public Instruction

STATE SUPERINTENDENT OF PUBLIC INSTRUCTION TONY THURMOND, *Defendant*

By:_____

Tony Thurmond
State Superintendent of Public Instruction

THE STATE OF CALIFORNIA, *Defendant*

By:_____

Kelli Evans
Chief Deputy Legal Affairs Secretary
Office of Governor Gavin Newsom

DAVID MOCH, *Plaintiff*

By:_____

Defendants

STATE BOARD OF EDUCATION, *Defendant*

By:_____

Linda Darling Hammond
State Board President

CALIFORNIA DEPARTMENT OF EDUCATION,
*Defendant*

By:_____

Lupita Cortez Alcalá
Chief Deputy Superintendent of Public Instruction

STATE SUPERINTENDENT OF PUBLIC INSTRUCTION TONY THURMOND, *Defendant*

By:_____

Tony Thurmond
State Superintendent of Public Instruction

THE STATE OF CALIFORNIA, *Defendant*

By:_____ 1/30/20

Kelli Evans
Chief Deputy Legal Affairs Secretary
Office of Governor Gavin Newsom

Plaintiffs' Counsel

By: _____

Public Counsel

By: _____

Morrison & Foerster LLP

Defendants' Counsel

XAVIER BECERRA
Attorney General of California
SUSAN M. CARSON
Supervising Deputy Attorney General

_____

JENNIFER A. BUNSHOFT
Deputy Attorney General

Plaintiffs' Counsel

By:_____

Public Counsel

By:_____

Morrison & Foerster LLP

Defendants' Counsel

XAVIER BECERRA
Attorney General of California
SUSAN M. CARSON
Supervising Deputy Attorney General

_____ 2/5/20
JENNIFER A. BUNSHOFT
Deputy Attorney General

# Exhibit A

# SETTLEMENT TERM SHEET

# (dated December 19, 2019)

**CONFIDENTIAL COMMUNICATION SUBJECT TO EVIDENCE CODE § 1152**

# *Ella T. v. California*

# Settlement Term Sheet

## I. Block Grant to Support Literacy in Primary Grades

Defendants will propose legislation that includes the following elements, all of which is subject to approval by the Legislature:

***Block Grant Amount***: $50 million over 3 years, less no more than $3 million in administrative costs for CDE to administer grants and review and approve plans.

***Grant Eligibility***: 75 schools, including charter schools, with the highest percentage of students scoring Level 1 on Grade 3 ELA SBAC, based on a two-year weighted average of results from 2018 and 2019 Grade 3 ELA SBAC.

- Eligibility list includes schools designated as "Traditional" for their "Educational Option Type," as found in the CALPADS UPC Source File 2018-19.

- Eligibility list excludes schools who report valid Grade 3 ELA SBAC scores for fewer than 11 students.

***Individual Grant Amounts***: Defendants will propose legislation that specifies that grant amounts are determined based on the school's grade 3 enrollment, with three tiers (small, medium, large) based on school size.

- The final grant awards will be set based on the final list of eligible schools and distribution across the three funding tiers.

***Grant Requirements***: Defendants will propose legislation that defines the following requirements for use of grant funds.

- <u>School-Level Root Cause Analysis/Needs Assessment:</u> The LEA for each eligible school shall conduct a root cause analysis/needs assessment for each eligible school (except as provided in the final sub-bullet below).

    - The root cause analysis/needs assessment shall examine school-level and LEA-level practices or unmet needs, including school climate, factors related to social-emotional learning, and the experience of students who are below grade-level standard on the California State Standards for English Language Arts & Literacy and their families, that have contributed

to low student outcomes on the grade 3 English Language Assessment (ELA) of the SBAC at the eligible school.

- The needs assessment shall identify the school/LEA's strengths and weaknesses with regard to K-3 literacy instruction. The LEA shall review all relevant diagnostic measures, including but not limited to, student performance data, data on effective and ineffective practices, and equity and performance gaps.

- The LEA shall consult with stakeholders, including school staff, school leaders, parents, and community members, at each eligible school around the root cause analysis/needs assessment and proposed expenditures of the grant funds. The LEA may use the applicable school site council for this purpose. If the school site council is used for this purpose, the school shall provide public notice of meetings and shall conduct meetings as required by Education Code section 35147.

- The LEA shall partner with staff with expertise in literacy at the relevant COE, Geo Lead, or Expert Lead on Literacy in the development of the root cause analysis/needs assessment and Literacy Action Plan. In addition, the LEA may partner with a member of an institution of higher education or non-profit with expertise in literacy for this purpose, and may also involve experts in participatory design and meaningful community involvement.

- If an LEA/eligible school has completed a root cause analysis/needs assessment that complies with all of the requirements listed above within the last two years, it may use that analysis and assessment for purposes of developing and adopting a Literacy Action Plan.

- <u>Development and Adoption of Literacy Action Plan for Eligible Schools</u>: Defendants will propose legislation that specifies that, based on the root cause analysis/needs assessment, the LEA shall develop a three-year LEA Literacy Action Plan.

  - The LEA shall provide a copy of the draft LEA Literacy Action plan to each eligible school to share with the school community before it is finalized for presentation to the LEA's governing board.

  - The Plan shall be adopted at a regularly scheduled, publicly noticed meeting of the governing board, as a non-consent agenda item.

  - The Plan shall include goals and actions to improve literacy instruction based on the root cause analysis/needs assessment and shall include a section reflecting the input received from stakeholders at each eligible school as part of the root cause analysis/needs assessment.

- The Plan shall identify metrics to measure progress toward the goals and actions.

- The Plan shall identify planned expenditures by selecting one or more of the acceptable uses detailed in the Framework for Literacy Education, set forth below.

- Grant funds may be used only to fund supplemental activities targeted at Grades K-3 and shall not supplant already existing activities being provided by the LEA or at the school. The money shall be targeted for improvement strategies for K-3 students at eligible schools.

- An LEA that has more than one eligible school may develop one Plan addressing all of its eligible schools and the allocated funds can be combined to maximize results at the eligible schools, so long as that Plan is specifically responsive to the root cause analysis specific to the school.

- Framework for Literacy Education: Defendants will propose legislation that specifies four categories of programs/services for which grants may be expended.

  1. Access to High-Quality Literacy Teaching:

     - Hiring of literacy coaches or instructional aides to provide supports to struggling students, which may include bilingual reading specialists to support EL programs.

     - Development of strategies to provide culturally responsive curriculum.

     - Evidence-based professional development for teachers, instructional aides, and school leaders regarding literacy instruction and literacy achievement and the use of data to help identify and support struggling students.

     - Professional development for teachers and school leaders regarding implementation of the ELA/ELD framework and the use of data to support effective instruction.

  2. Support for Literacy Learning:

     - Purchase of literacy curriculum resources and instructional materials aligned with the ELA/ELD standards and framework. This would be a permissible use of funds only if the literacy plan also includes professional development for staff on effective use of these materials.

- Purchase of diagnostic assessment instruments to help assess student needs and progress and training to school staff regarding the use of such assessments.

3. Student Supports:

    - Expanded learning programs, such as before and after school programs or summer school, to improve students' access to literacy instruction.

    - Extended school day to enable implementation of Breakfast in the Classroom or Library model to support expanded literacy instruction.

    - Strategies to improve school climate, student connectedness, and attendance and to reduce exclusionary discipline practices, including in-school suspensions, that may limit student's time in school.

    - Strategies to implement research-based social-emotional learning approaches, including restorative justice.

    - Expanded access to the school library.

4. Families and Community:

    - Development of trauma-informed practices and supports for students and families.

    - Provision of mental health resources to support student learning.

    - Strategies to implement MTSS and RTI.

    - Development of literacy training and education for parents to help develop a supportive literacy environment in the home.

    - Strategies to improve parent and community engagement and to improve communications to parents regarding how to address students' literacy needs.

***Grant Administration***: The block grant funds would be administered as follows:

- LEAs would receive up to $50,000 for each eligible school for purposes of conducting the root cause analysis/needs assessment for each eligible school, and preparing the LEA's Literacy Action Plan.

- Submission of Literacy Action Plan to CDE: CDE or its designee shall review the Literacy Action Plan to determine if:
    - The LEA consulted with each eligible school site and stakeholders in the development of the root cause analysis/needs assessment.
    - The LEA identified the COE, Geo Lead, or Expert Lead on Literacy with which they partnered in the development of the root cause analysis/needs assessment and Literacy Action Plan.
    - The Literacy Action Plan was approved by the governing board at a publicly noticed meeting.
    - The planned expenditures are authorized by the Framework for Literacy Education.
    - The Literacy Action Plan clearly articulates that the use of funds are for supplemental activities.
- Upon approval of the Literacy Action Plan by CDE or its designee, the LEA would receive the balance of the first-year allocation to begin implementing the plan at eligible schools.
- The LEA shall provide CDE, the school site council at each eligible school, and the LEA's governing board with quarterly reports demonstrating that it has made expenditures consistent with the applicable Literacy Action Plan. These reports shall also be publicly posted on the LEA's website.
- On an annual basis, each LEA shall submit to CDE, the school site council at each eligible school, and the LEA's governing board a report of achievement towards the actions and goals, and an assessment of progress made on the metrics identified in its Literacy Action Plan. These reports shall also be publicly posted on the LEA's website.
- At the end of the second year of grant eligibility, each LEA with an eligible school shall, as a non-consent agenda item at a regularly scheduled, publicly noticed meeting of the governing board, provide an update on progress implementing the Literacy Action Plan. The LEA may modify the Literacy Action Plan based on this update, consistent with the permitted uses of the funds.
- Upon submission of required reports, the LEA shall receive the second- and third-year allocations.

***Independent Evaluation:***

- CDE will give good faith consideration to any proposal to evaluate literacy outcomes for grantee schools that (a) is submitted by an independent evaluator recommended by Plaintiffs and (b) does not require funding, staffing or budgetary resources by the State or CDE. The purpose of the evaluation will be to conduct a study of the effectiveness of the grant, identify effective practices and responses to common challenges, and to make recommendations that can be used for continuous improvement by other schools or LEAs. Following consideration, CDE will have the discretion to approve, reject, or request modifications to the evaluation proposal. Prior to rejecting or requesting modifications, the CDE will meet and confer with Plaintiffs' counsel. The parties agree that CDE's ultimate decision to approve or reject the evaluation proposal, or its reasons or basis for doing so, is not subject to judicial review or a claim for breach of the settlement agreement.

- CDE and Plaintiffs agree that any written report arising from the evaluation will be made publicly available. 30 days prior to publication, the independent evaluator shall provide a copy of the report to the Plaintiffs and Defendants for review.

- The block grant will include a term requiring LEAs who receive grant funds to provide reasonable access to data collected during the implementation of the grant, to school sites, and to personnel involved in the implementation of the grant in the event CDE approves the independent evaluation proposal. Any collection shall be subject to the laws governing student and employee privacy, including Family Education Rights and Privacy Act (FERPA) (20 U.S.C. Section 1232g; 34 CFR Part 99), The National School Lunch Act (42 U.S.C. 1758; 7 CFR Section 245.6), California Information Practices Act (Civil Code Section 1798.24), and Education Code sections 49079.5, 47079.7, 49558 and 60607.

- If the evaluator seeks data from the CDE pursuant to this section, it must comply with the CDE's established procedures for data requests through the data request portal.

***Proposed Timing***:

- January 2020: Block grant included as part of Governor's Budget Proposal.

- July 2020: Deadline for adoption of State Budget.

- August 2020: If block grant is approved as part of State Budget, CDE notifies eligible schools and their LEAs of eligibility for block grant.

- Fall 2020: Initial $50,000 allocation released to eligible schools that agree to grant conditions to conduct root cause analysis/needs assessment and to develop LEA Literacy Action Plan.

## II. Creation of Expert Lead on Literacy

Defendants will propose legislation that includes the following elements, all of which is subject to approval by the Legislature:

- Creation of expert lead at the CCEE, collaborating with CDE and SBE through the system of support.

- Three years/$3 million.

- The expert lead on literacy will help the relevant COE and LEAs build capacity around literacy instruction and may assist in the development of the root cause analysis/needs assessment and Literacy Action Plans.

- As part of the system of support, the expert lead on literacy will create professional learning networks to help build capacity statewide.

## III. Community Engagement Initiative

- Defendants will request that the CCEE add Stockton USD to the 2nd cohort of LEAs participating in the Community Engagement Initiative.

- Stockton USD may apply, and if it applies, it shall agree to Initiative requirements.

## IV. State Guidance: New Laws on Discipline

- Guidance from the SBE President/SPI on two new laws regarding discipline: SB 419 prohibition on suspension for willful defiance in Grades K-8 and AB 983 requiring LEAs to provide suspended students with homework assignments. The guidance will also (1) address existing requirements related to "other means of correction" under Education Code Section 48900.5, including clarification that "other means of correction" includes additional academic supports, and (2) identify resources and strategies to reduce or eliminate racially disproportionate suspensions.

- SBE/CDE will provide a draft of the proposed guidance to Plaintiffs' counsel at least six weeks prior to publishing the guidance. Plaintiffs' counsel may provide written feedback on the draft for consideration, and the parties will meet and confer, if requested by Plaintiffs' counsel, about the written feedback prior to the planned date of publication. SBE/CDE will consider in

good faith any suggestions proposed by Plaintiffs' counsel, but SBE/CDE shall retain final editorial control regarding the guidance.

## V. Blue Ribbon Commission/Expert Panel on Exclusionary Discipline

- CDE/SPI will host an expert panel to discuss strategies to limit exclusionary discipline practices.

## VI. State Official Visit to Stockton USD

- Meeting with Stockton USD and community members

## VII. Settlement and Dismissal Process

***Settlement Process***

- Following agreement on this Settlement Term Sheet, the parties will promptly begin work on a settlement agreement and proposed legislation.The Parties agree that any announcement or public statements by the parties disclosing the terms of the settlement or proposed legislation will not occur until after the Governor's 2020-21 Budget proposal is released.

    - Defendants agree to promptly notify Plaintiffs' counsel as soon as the release time and date for the Governor's 2020-21 Budget proposal are announced.

    - The parties agree to give each other no less than 24 hours' notice before they make a public announcement of the proposed legislation and/or terms of the settlement. This does not include the announcement of the Governor's 2020-21 Budget proposal, for which Defendants agree to promptly notify Plaintiffs' counsel as soon as the release time and date are announced.

- Following agreement on this Settlement Term Sheet, the parties shall jointly inform the Court that they have reached an agreement in principle to settle the case, are working on a formal settlement agreement, are suspending all discovery in light of the agreement and will provide a further written update to the Court regarding settlement by January 13, 2020, and, at the Court's option, will also appear at a status conference to be scheduled during the week of January 13, 2020 to update the Court on the settlement. The parties will also jointly request that the Court vacate the Final Status Conference scheduled for January 10, 2020, and the requirement to submit pretrial filings, currently due on January 3, 2020.

- Following action by the State Board of Education at its meetings scheduled January 8 or 9, 2020, and signature of the settlement agreement by all defendants, the parties shall file a notice of conditional settlement and request that the Court vacate the trial date, stay the case, and set a hearing on an Order to Show Cause regarding why the case should not be dismissed in light of the settlement for September 2020.

- As a part of the 2020-21 budget process, the Defendants shall propose legislation as reflected in Sections I and II of this Settlement Term Sheet.

- Defendants shall provide electronic notice to Plaintiffs' counsel and copies of any enacted and signed legislation that Defendants believe suffice to satisfy the requirements of Sections I and II of the Settlement Term Sheet.

- If Plaintiffs agree that legislation enacted as part of the 2020-21 budget process substantially conforms with the parties' agreed-upon proposals, Plaintiffs shall dismiss the litigation with prejudice within 15 days of receipt of the proposed notice.

- If a party believes that the Legislature has passed legislation as part of the 2020-21 budget process that does not substantially conform to the proposed legislation, the parties agree to meet-and-confer within 5 days of Defendants' notice (or within 5 days of a notice or request sent by Plaintiffs following final passage of the legislation by the Legislature) and advise the other parties whether they would seek to void settlement if the legislation is signed into law. If Defendants become aware prior to the passage of the legislation that it may not substantially conform to the proposed legislation, they will provide notice to plaintiffs as soon as possible prior to passage of the legislation. Following meet and confer, Plaintiffs may dismiss with prejudice or move the Court to lift the stay of the litigation and submit a proposed timeline for further proceedings. Defendants may oppose a motion to lift the stay on any legal ground, including but not limited to, opposition on the ground that the legislation substantially conforms to the parties' agreed-upon proposals, or based on Plaintiffs' requested proceedings.

- If the proposed legislation is dropped from consideration by the Legislature, or finally rejected during the legislative session without passing any part of it, Defendants will inform Plaintiffs and the parties will jointly move the Court to lift the stay that is being applied in light of the settlement.

***Covenants Regarding Conduct After Settlement and Before Enactment***

- Plaintiffs agree that neither they nor their counsel will support any alternative to the proposed legislation included in Sections I and II in the 2020-21 budget process or a competing legislative proposal to the proposed legislation included in Sections I or II in the 2019-20 legislative session. Defendants

agree that neither they nor their counsel will support any alternative to the proposed legislation in Sections I and II in the 2020-21 budget process or a competing legislative proposal to the proposed legislation included in Sections I or II in the 2019-20 legislative session.

- The parties will engage in good faith efforts to obtain the enactment of legislation implementing the agreed-upon proposals.

- The parties understand and acknowledge that a member or members of the legislature may seek to modify the legislative proposal after it is proposed. The Defendants are not covenanting to pass the legislative proposal. Failure of the proposed legislation is not a breach of the settlement and Plaintiffs' sole remedy is to move to lift the stay of the case as described above.

- No oral or written statement made by the parties (Plaintiffs or Defendants), their agents, their counsel, or in the case of Defendants, other State officials, as a part of the process of introducing, seeking, testifying or advocating the proposed legislation shall be submitted to the court in briefs, oral argument, or trial, or otherwise used by either party in support of liability, any defenses, or any relief in the course of litigation if the case is not dismissed with prejudice. If the parties dispute whether legislation passed by the Legislature and signed by the Governor substantially conforms to the terms of this Settlement Term Sheet, nothing in the foregoing shall preclude the Court from comparing the legislation to the settlement for the purpose of resolving that dispute.

  - Defendants shall have unilateral discretion to proceed with or delay performance on the terms stated in Sections III, IV, V and VI so long as the proposed legislation reflected in Sections I and II remain pending. Defendants shall not be required to perform on the terms stated in Sections III, IV, V and VI unless and until Plaintiffs dismiss their claims with prejudice.

Dated: December 19, 2019

**MORRISON & FOERSTER LLP**
MICHAEL A. JACOBS
ERIK J. OLSON
ROBIN STAFFORD
ROMAN A. SWOOPES

By: _____
ERIK J. OLSON

*Attorneys for Plaintiffs*

Dated: December 19, 2019

**PUBLIC COUNSEL**
MARK ROSENBAUM
ALISA HARTZ
ANNE BUSACCA-RYAN
RUTH CUSICK

By: _____
MARK ROSENBAUM

*Attorneys for Plaintiffs*

Dated: December 19, 2019

**ATTORNEY GENERAL OF CALIFORNIA**

By: _____
SUSAN M. CARSON
Supervising Deputy Attorney General

*Attorneys for Defendants*

# Exhibit B

# DEFINITIONS

## DEFINITIONS

The Settling Parties intend that the below terms will have the following meaning when used in the Settlement Agreement or the Settlement Term Sheet, attached as Exhibit A:

1. "ELA SBAC" means the English Language Arts Smarter Balanced Assessment Consortium assessment used in California.

2. "LEA" means Local Educational Agency.

3. "K-3" means Kindergarten through Third Grade, including Transitional Kindergarten (TK) programs.

4. "COE" means County Office of Education.

5. "CCEE" means the California Collaborative for Educational Excellence.

6. "Geo Lead" means Geographic Lead Agency, pursuant to Education Code section 52073.

7. "Expert Lead on Literacy" refers to a potential new role at CCEE the creation of which Defendants agree to propose through legislation that includes the elements set forth in Section II of the Settlement Term Sheet.

8. "ELA/ELD" means English Language Arts/English Language Development.

9. "MTSS" means Multi-Tiered System of Supports.

10. "RTI" means Response to Intervention.

11. A legislative measure does not "substantially conform" to the elements of the proposed legislation set forth in Sections I and II of the Settlement Term Sheet (Exhibit A) if, in light of all the circumstances, it contains a material change in the amount of funding provided to schools, the number of schools, the criteria for selecting schools, or the purposes for which funds can be spent in comparison to the proposed legislation.

12. In connection with the Settlement Term Sheet (Exhibit A), the phrase "Meeting with Stockton USD and community members" shall mean that "One or more state officials will attend a meeting to which representatives from the Stockton Unified School District, community organizations, and community members will be invited."

13. "Settlement Agreement" means the Settlement Implementation Agreement and all incorporated exhibits.