

FINAL STATEMENT OF REASONS

Title 2. Administration
Division 2. Financial Operations
Chapter 3. Department of General Services
Subchapter 4. Office of Public School Construction
Group 1. State Allocation Board
Subgroup 5.5. Regulations relating to the Leroy F. Greene School Facilities Act of 1998

Section 1859.76. New Construction Additional Grant for Site Development Costs.

Specific Purpose of the Regulation

To extend up to an additional year the additional grant for general site development costs available to school districts under the School Facility Program (SFP).

Need for the Regulation

1st paragraph after (d)(3): It was necessary to extend until "no later than January 1, 2010" the suspension of the additional grant for general site development costs. This additional grant helps school districts cover the extra costs for items such as landscaping, finish grading, driveways, walkways, outdoor instructional play facilities, permanent playground equipment, and athletic fields. The one-year extension is necessary to prevent school districts from experiencing funding shortfalls in completing new construction projects as planned.

The additional grant for general site development costs was initially adopted by the State Allocation Board (SAB) at its June 28, 2006 meeting, with the provision that it would be suspended "no later than January 1, 2008" unless extended by the SAB. The SAB, at its December 12, 2007 meeting, approved a one-year extension of the additional grant to "no later than January 1, 2009."

SUMMARY OF PUBLIC COMMENT AT THE FEBRUARY 25, 2009 MEETING AND RESPONSE

Mr. Thomas Duffy, representing the Coalition for Adequate School Housing (C.A.S.H.)

Mr. Duffy thanked the Board and stated that his organization supported the proposed regulatory amendment. He also commented upon the increasing use of steel in school buildings and increasing school construction costs since late 2003/early 2004.

The State Allocation Board thanked Mr. Duffy for his comments and approved the proposed regulatory amendment.

DOCUMENTS RELIED UPON AND STATEMENTS REGARDING THE RULEMAKING

Technical Documents Relied Upon

The State Allocation Board's Action item, dated February 25, 2009, entitled "Adjustments to School Facility Program Grants."

Alternatives to the Proposed Regulatory Action that would be as Effective and Less Burdensome to Private Persons

The SAB finds that no alternatives it has considered would be more effective in carrying out the purpose of the proposed regulation or would be as effective and less burdensome to affected private persons than the proposed regulation.

Alternatives to the Proposed Regulatory Action that would Lessen any Adverse Economic Impact on Small Business

The SAB has determined that the proposed regulation does not affect small businesses.

Finding of Significant Adverse Economic Impact on Businesses

The SAB has determined that the adoption of the regulation will not affect businesses, including small businesses, because they are not required to comply with or enforce the regulation, nor will they benefit from or be disadvantaged by the regulation.

Impact on Local Agencies or School Districts

The SAB has determined that the proposed regulation does not impose a mandate or a mandate requiring reimbursement by the State pursuant to Part 7 (commencing with Section 17500) of Division 4 of the Government Code. It will not require local agencies or school districts to incur additional costs in order to comply with the proposed regulation.