

STATE ALLOCATION BOARD

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Date: August 8, 2006
To: Interested Parties
Subject: **NOTICE OF THE STATE ALLOCATION BOARD
IMPLEMENTATION COMMITTEE MEETING**

Notice is hereby provided that the State Allocation Board Implementation Committee will hold a meeting on Friday, August 18, 2006 (9:30 a.m. – 3:30 p.m.) in the Legislative Office Building located at 1020 "N" Street, Room 100, Sacramento, CA.

The Implementation Committee's proposed agenda is as follows:

1. Convene Meeting.
2. Implementation of Chapter 35, Statutes of 2006 (Assembly Bill 127 – Nunez/Perata).

Discussion, in the following proposed order, on several provisions contained within the statute:

Career Technical Education Program
Seismic Mitigation
Charter School Facility Program

Any interested person may present public testimony or comments at this meeting regarding the issues scheduled for discussion. Any public input regarding unscheduled issues should be presented in writing, which may then be scheduled for a future meeting. For additional information, please contact Ms. Deah Johnson at (916) 445-3377.

A handwritten signature in cursive script that reads "Lori L. Morgan".

LORI L. MORGAN, Deputy Executive Officer
State Allocation Board

LLM:dj

STATE ALLOCATION BOARD
IMPLEMENTATION COMMITTEE

Pending Items List
August 18, 2006

A. Future Items

- Site Sale Proceeds

Discussion on proposed regulatory amendments regarding proceeds from the sale of a site funded in whole or part with State funds.

B. Suspended Items

- Alternative Education Loading Standards and Funding

Discussion on the loading standards and adequacy of the funding provided for continuation high, community day, and county community day schools under the School Facility Program.

STATE ALLOCATION BOARD
IMPLEMENTATION COMMITTEE
August 18, 2006

CAREER TECHNICAL EDUCATION FACILITIES PROGRAM

BACKGROUND

Assembly Bill 127, Chapter 35, Statutes of 2006, (Nunez/Perata) will enact the Kindergarten-University Public Education Facilities Bond Act of 2006 pending the November 4, 2006 ballot. This bill establishes the Career Technical Education Facilities Program (CTEFP) and provides \$500,000,000 to fund the program. The purpose of CTEFP is to provide funding to qualifying local educational agencies for the purpose of constructing new facilities or reconfiguring existing facilities to enhance the educational opportunities for pupils in order to provide them with the skills and knowledge necessary for the high-demand technical careers of today and tomorrow.

AUTHORITY

Article 13, Assembly Bill 127, Chapter 35, Statutes of 2006, (Nunez/Perata). See Attachment A.

DISCUSSION

Basic Program Components

The CTEFP was created to provide students with the skills and knowledge necessary to prepare them for high demand technical careers. CTEFP funds may be provided to qualifying local education agencies for the purposes of constructing new facilities. Funds may be allocated to comprehensive high schools and/or joint powers authorities (JPA) in order to modernize existing facilities to enhance educational opportunities for pupils. The funding includes, but is not limited to, purchasing equipment that has an average useful life expectancy of at least ten years. Facilities that include instructional space for one or more of the 15 Career Technical Education Industry Sectors recognized by California Department of Education (CDE) (Attachment B) will be considered for the program.

The CTEFP grants may be used for new construction or the modernization of existing facilities. Grants for new construction shall not exceed \$3 million per project per school site and grants for modernization shall not exceed \$1.5 million per project per school site.

Funding

CTEFP funding will be available for different types of projects, including new school construction, stand alone new construction, and modernization. Grants allocated under this program shall be determined on a per square foot basis and the per square foot allowance shall include construction and equipment costs.

The applicant contribution shall be equal to the state funds awarded for the CTEFP, regardless of the application type. The matching funds may come from private industry groups, the school district, or a joint powers authority. The match may be repaid over a period of time if sufficient local funds are not immediately available.

Staff is evaluating the length of repayment for the district's CTEFP match, but it is expected to be between five to 30 years.

Financial Hardship

Financial Hardship status does not apply to CTEFP funding; the matching local contribution may not be waived under any circumstance. A Financial Hardship school district may apply to the regular School Facility Program (SFP), but if requesting CTEFP funds, the district or their partners will have to supply the CTEFP matching contribution.

New Construction

Grants shall be allocated for facilities included in a new school project or constructed as a stand-alone project. The grant shall not exceed \$3 million per project per school site and shall be awarded only to comprehensive high schools that have an active Career Technical Advisory Committee (CTAC), pursuant to EC Section 8070 (Attachment C).

- New School Project
 - CTEFP grants, on a square foot basis, provide a supplement to the per pupil grant (pursuant EC Section 17072.10).
 - Grants are intended to cover excess costs uniquely related to the facilities required to provide CTE program or programs.
- Stand-alone project
 - Grants are determined on per square foot basis

Modernization

CTEFP grants may be awarded to a comprehensive high school or JPA currently operating a Career Technical Education (CTE) program that has an active CTAC. The grants shall not exceed \$1.5 million per project per school site.

- Modernization projects
 - For comprehensive high schools, the grant shall supplement any per pupil allocation pursuant to section 17074.10.
 - CTEFP grants are intended to cover excess cost uniquely related to the facilities required to provide CTE program or programs.

Statute specifically recognizes “reconfiguration” as a method to provide CTE facilities and states that limited new construction may be included in the plans. Similar to the Joint-Use program, if reconfiguration includes removal or displacement of classrooms or existing minimum essential facilities (MEF), then the modernization project must also include limited new construction to replace those MEF. If there is no modernization eligibility, the project can not displace classrooms or MEF.

Grant amount

CTEFP grants are to be allocated on a per-square-foot basis. It is anticipated that the grant amount will be calculated by multiplying the square footage of CTE facilities in the project by an appropriate multiplier for each CTE sector. The resulting grant will be inclusive of CTE equipment. There is substantial variation in the facilities and equipment requirements among the CTE industry sectors so it is anticipated that more than one per-square-foot allowance will be established, based on the industry sector identified for the facility.

Square footage allowances are currently being researched.

Site development costs may be included in the CTEFP grant if not requested on an accompanying new construction funding application. If requesting CTEFP funding for a New

Construction, New School project, all site development costs should be included on the Form SAB 50-04 for the associated school. If requesting CTEFP funding for a New Construction, Stand Alone project, only site development for the CTE facility should be included on the CTEFP application.

Separate site development costs are not available for CTEFP Modernization projects. These costs are considered in the CTEFP square footage allowance.

CTEFP applications will be eligible for excess cost allowances, such as small size, geographic, or urban/security, if not requested on an associated Form SAB 50-04 for the same CTE facility.

Career Technical Education Program Evaluation

Pursuant to Section 17078.72(b), CDE will work with the Chancellor's Office of the Community Colleges, the Labor and Workforce Development Agency, and industry groups, and shall develop criteria and pupil outcome measures to evaluate the program. The criteria shall ensure equity, program relevance to industry needs, and articulation with more advanced coursework at the partnering community colleges or private institutions.

Prior to applying for CTEFP funds, the applicant must develop a plan that incorporates the standards identified in Section 17078.72(b) and includes the following specific requirements per Section 17078.72(i):

- A CTE plan for each course of approved study applicable to the instructional space;
- Projections of pupil enrollment;
- Identification of feeder schools, industry partners, and community colleges or other postsecondary schools participating in the development, articulation, and review of the education program;
- Evidence of approval of the plan by the entities listed above;
- Method of accountability for pupil enrollments and outcomes;
- Evidence of coordination with all feeder schools, middle schools, and high schools within the area to ensure that the project and programs complement CTE offerings in the area;
- Evidence that upon completion of the project the local educational agency will meet all of its obligations under Section 51228 relating to CTE.

The document will be evaluated and used, in part, to establish funding priority of applications requesting the CTEFP funding.

Eligibility Requirements

Demonstration of new construction or modernization eligibility is not a requirement to participate in the CTEFP. However, if the school district has new construction eligibility or the school site has modernization eligibility, then the District is encouraged to utilize the available eligibility.

Facilities that generate modernization eligibility will be considered modernized if reconfigured with CTEFP funds and the age of the building will start over. Further, districts that use CTEFP reconfiguration funds on a facility that does not generate eligibility will have the date of the facility updated. Therefore, it is to their advantage to use available modernization eligibility.

Application Process

CTEFP will use a separate form in conjunction with the *Application for Funding* (Form SAB 50-04), similar to *Application for Joint-Use Funding* (Form SAB 50-07) used for Joint-Use program. The separate application form will allow for multiple CTEFP requests associated with single Form SAB 50-04. The separate form will also facilitate comparison of applications for determination of funding order.

The CTEFP Form will identify, at a minimum, the type of project, square footage of CTE facilities in the project, excessive costs, and district priority. The application will designate the type of project as one of the following:

- New Construction, New School Project
- New Construction, Stand Alone Project
- Modernization Project

The application will also include DSA approved plans that identify the CTE facilities.

Funding Cycle and Project Priority

Section 17078.72(j) requires that “weight” be given to applications based on several factors. This “weighing” of applications requires comparison of applications and assignment of funding priority. This will be accomplished through an annual funding cycle.

Funding priority within each cycle will be determined by an analysis of the CTE plan developed pursuant to Section 17078.72(b) and (i). Additional factors to be considered are outlined in Section 17078.72(j) and include:

- Number of pupils expected to attend;
- Cost per pupil;
- Financial participation by industry partners in the construction and equipping of facility;
- Commitment to accountability for outcomes and participation;
- Strength and relevance of the educational plans to the needs of industry for qualified technical employees; and
- Coordination and articulation with feeder schools, other high schools, and community colleges.

A matrix will be used to score applications on the various criteria. The cumulative score will determine the rank for each application. The funding order will be dependent on the resulting rank and district priority. Districts will assign priority to their projects, if submitting more than one application within the funding cycle. If a district does not assign priority to multiple projects, priority will be determined by date received. Within a funding cycle, the highest ranked applications from each district will be funded, followed in descending order by the lower priority applications.

No funding preference will be given for new construction or modernization.



The California career technical education (CCTE) model curriculum standards are organized in 15 *industry sectors*, or groupings, of interrelated occupations and broad industries. Each sector has two or more career pathways. (See the accompanying chart for an overview of the sectors and pathways.) A *career pathway* is a coherent sequence of

rigorous academic and technical courses that allows students to apply academics and develop technical skills in a curricular area. Career pathways prepare students for successful completion of state academic and technical standards and more advanced postsecondary course work related to the career in which they are interested.

California Career Technical Education Industry Sectors

INDUSTRY SECTOR	CAREER PATHWAYS	INDUSTRY SECTOR	CAREER PATHWAYS
Agriculture and Natural Resources	<ul style="list-style-type: none"> • <i>Agricultural Business</i> • <i>Agricultural Mechanics</i> • <i>Agriscience</i> • <i>Animal Science</i> • <i>Forestry and Natural Resources</i> • <i>Ornamental Horticulture</i> • <i>Plant and Soil Science</i> 	Energy and Utilities	<ul style="list-style-type: none"> • <i>Electromechanical Installation and Maintenance</i> • <i>Energy and Environmental Technology</i> • <i>Public Utilities</i> • <i>Residential and Commercial Energy and Utilities</i>
Arts, Media, and Entertainment	<ul style="list-style-type: none"> • <i>Media and Design Arts</i> • <i>Performing Arts</i> • <i>Production and Managerial Arts</i> 	Engineering and Design	<ul style="list-style-type: none"> • <i>Architectural and Structural Engineering</i> • <i>Computer Hardware, Electrical, and Networking Engineering</i> • <i>Engineering Design</i> • <i>Engineering Technology</i> • <i>Environmental and Natural Science Engineering</i>
Building Trades and Construction	<ul style="list-style-type: none"> • <i>Cabinetmaking and Wood Products</i> • <i>Engineering and Heavy Construction</i> • <i>Mechanical Construction</i> • <i>Residential and Commercial Construction</i> 	Fashion and Interior Design	<ul style="list-style-type: none"> • <i>Fashion Design, Manufacturing, and Merchandising</i> • <i>Interior Design, Furnishings, and Maintenance</i>
Education, Child Development, and Family Services	<ul style="list-style-type: none"> • <i>Child Development</i> • <i>Consumer Services</i> • <i>Education</i> • <i>Family and Human Services</i> 		

INDUSTRY SECTOR	CAREER PATHWAYS	INDUSTRY SECTOR	CAREER PATHWAYS
Finance and Business	<ul style="list-style-type: none"> • Accounting Services • Banking and Related Services • Business Financial Management 	Manufacturing and Product Development	<ul style="list-style-type: none"> • Graphic Arts Technology • Integrated Graphics Technology • Machine and Forming Technology • Welding Technology
Health Science and Medical Technology	<ul style="list-style-type: none"> • Biotechnology Research and Development • Diagnostic Services • Health Informatics • Support Services • Therapeutic Services 	Marketing, Sales, and Service	<ul style="list-style-type: none"> • E-Commerce • Entrepreneurship • International Trade • Professional Sales and Marketing
Hospitality, Tourism, and Recreation	<ul style="list-style-type: none"> • Food Science, Dietetics, and Nutrition • Food Service and Hospitality • Hospitality, Tourism, and Recreation 	Public Services	<ul style="list-style-type: none"> • Human Services • Legal and Government Services • Protective Services
Information Technology	<ul style="list-style-type: none"> • Information Support and Services • Media Support and Services • Network Communications • Programming and Systems Development 	Transportation	<ul style="list-style-type: none"> • Aviation and Aerospace Transportation Services • Collision Repair and Refinishing • Vehicle Maintenance, Service, and Repair

Standards and Subcomponents

Standards serve as the basis for the curriculum frameworks, instructional materials, and statewide assessments in California. The CCTE model curriculum standards have been developed for use at the secondary level, grades seven through twelve.

There are two levels of detail in the standards: standards and subcomponents. *Standards* are general expectations of what students should know and be able to do. Each standard has at least two *subcomponents* that elaborate on the specific knowledge and skills encompassed by the standard.

There are also two different *types* of standards in each sector: *foundation* standards and *pathway* standards.

Foundation Standards

There are 11 *foundation standards* that all students need to master to be successful in the career technical education curriculum and in the workplace. These standards are similar to the competencies described in the June 1991 report issued by the U. S. Department of Labor, *Secretary's Commission on Achieving Necessary Skills (SCANS)*. The foundation standards are uniform in all sectors, although the subcomponents will differ. They cover the 11 areas essential to all students' success:

- 1.0 Academics
- 2.0 Communications
- 3.0 Career Planning and Management
- 4.0 Technology
- 5.0 Problem Solving and Critical Thinking

ATTACHMENT C

EDUCALIFORNIA CODES
EDUCATION CODE
SECTION 8070

8070. The governing board of each school district participating in a career technical education program shall appoint a career technical education advisory committee to develop recommendations on the program and to provide liaison between the district and potential employers.

The committee shall consist of one or more representatives of the general public knowledgeable about the disadvantaged, students, teachers, business, industry, school administration, and the field office of the Department of Employment Development.

STATE ALLOCATION BOARD
IMPLEMENTATION COMMITTEE MEETING
August 18, 2006

CHARTER SCHOOL FACILITIES PROGRAM
REGULATION AMENDMENTS

BACKGROUND

AB127 makes changes to the Charter School Facility Program (CSFP) should the voters approve an additional \$500 million as part of Proposition 1D which will be presented on the November 2006 ballot. In an effort to implement the changes required by the law, the OPSC brought program changes before the Implementation Committee on July 7th and 21st and August 3rd and 4th.

Following were the outstanding issues as of the August 4, 2006 meeting:

DISCUSSION

Eligibility and Adjustments for CSFP Projects

- AB127 changes the way in which eligibility is adjusted for the construction of the charter school projects, based on the number of the district's un-housed students pursuant to Article 3 (commencing with Section 17071.75) that the project will house. The CSFP regulations will be amended to include the following methods that will be used to determine the necessary new construction eligibility adjustments required under the CSFP:

District Submitting on Behalf of a Charter School

- For districts applying on behalf of a charter school, the district will indicate the number of unhoused pupils the project will serve. The new construction eligibility will be reduced by this number.
- The project funding will be granted based on the pupil grant request (which equates to capacity). The pupil grant request and the number of unhoused pupils served will not necessarily be equal, however, if they are not equal then the district must provide to the OPSC the supporting documentation used to determine the number of unhoused pupils the project will serve.

Charter School Submitting on Its Own Behalf

- For charter schools applying independently of the district, the governing board of the district where the project will be physically located will certify to the number of the District's un-housed pupils that the charter school project will provide housing for. The district's new construction eligibility will be reduced by the number of pupils on the certification. The pupil grant request and the number of unhoused pupils certified to will not necessarily be equal.

Eligibility and Adjustments for CSFP Projects (continued)

Charter School Submitting on Its Own Behalf (continued)

- The certification, in the form of a board resolution, should be signed by a school board member and submitted as a part of the Preliminary Apportionment application. Prior to submitting the certification, the school board must have discussed the issue at a regularly scheduled, publicly held board meeting. The item must be presented as an action item and the supporting documentation used to generate the number of district un-housed pupils included in the project certified to must have been presented to the public as part of the agenda or public notice. The OPSC will require the submittal of the board resolution, the supporting documentation and the meeting minutes related to the determination of the number of housed pupils to serve as reference documents for the application.

- The district must submit the certification, in the form of a board resolution, and supporting minutes to the charter school or the OPSC within 90 days from the date the charter school notifies the district of its intent to apply to the CSFP. The charter school's notification to the school district should also include a request for the district to update its enrollment for the current school year by completing an Enrollment Certification/Projection (Form SAB 50-01). The Form SAB 50-01 will be necessary to determine if the District has any unhoused pupils as determined by the School Facility Program. The Form SAB 50-01 is also necessary to update for current enrollment in order to calculate the percentage of overcrowding when determining preference points per project. If the charter school does not request the certification in its notification to the district, resulting in the district being unable to provide the requested information within the specified time period, the Preliminary Apportionment application will be returned to the charter school as incomplete.

Rehabilitation

AB127 adds to the CSFP an option for districts or charter schools to submit an application for the rehabilitation of existing district facilities for charter school purposes.

- Pursuant to EC 17078.54(a), facilities to be rehabilitated need only be 15 years of age at the time of the preliminary apportionment application and not previously built or modernized with SFP funds, regardless of permanent or portable designation. The age of the facilities is determined by the date of the last LPP modernization apportionment or for buildings that have not previously been modernized, by the date of the DSA approval for the facility plus 12 months.

- At the time of final apportionment the application for rehabilitation must include rehabilitation of classrooms. The application may include other facilities such as a gym or a multi-purpose room, but the amount of base grant funding will still be capped by the funding generated by the new construction pupil grant amounts for the number of pupils housed in the project per State loading standards

Preference Points

AB127 directs the Board to give preference to projects that utilize existing facilities. Existing law gives preference to charter schools in overcrowded school districts, charter schools in low income areas and charter schools operated by not-for-profit entities. The CSFP regulations will be revised to add a new category of preference points for “Existing Facilities”. The preference points will be allocated as follows:

- Existing Facilities = 65 points
- Overcrowding = 40 points (maximum) using the distribution currently in regulation
- Low Income = 45 points (maximum) using the free/reduced lunch % per regulation
- Non-Profit = 40 points
- Total = 170 points

As there is the possibility for a charter school to build a new project in an overcrowded school district while not relieving overcrowding (per the district’s certification), it is necessary to adjust how the overcrowding preference points are allocated.

The method of calculating the percentage of overcrowding in a school district will remain the same, which is to take the new construction eligibility divided by the total enrollment for the district. The method of allocating preference points to applicants will change slightly, incorporating the existing chart for the point distribution, but further breaking down the allocation within each point category.

The percentage generated by the number of unhoused pupils that the project will house (the number the district certifies to) divided by the project capacity will represent the effort made to relieve overcrowding in the district. The “effort” percentage will be rewarded with the following point distribution:

% effort to relieve overcrowding	ratio of overcrowded points
40% or more	100% of the points for the overcrowded category
30-39%	80% of the points for the overcrowded category
20-29%	60% of the points for the overcrowded category
10-19%	40% of the points for the overcrowded category
1-9%	20% of the points for the overcrowded category
0	No points for the overcrowded category

Table Currently in Regulations:

Percentage Overcrowded	Preference Points Assigned
2-9%	4
10-13%	8
14-16%	12
17-19%	16
20-22%	20
23-25%	24
26-33%	28
34-41%	32
42-49%	36
50% and above	40

Preference Points (Continued)

Examples:

Project Capacity	# housed (determined by certification)	effort to relieve overcrowding (#housed/project capacity)	Resulting ratio of points
100	42	42/100 or 42%	100%
500	100	100/500 or 20%	60%
350	15	15/350 or 4.3%	20%
200	60	60/200 or 30%	80%

STATE ALLOCATION BOARD
IMPLEMENTATION COMMITTEE MEETING
AUGUST 18, 2006

SEISMIC MITIGATION

PURPOSE OF REPORT

To discuss the implementation of amendments to Education Code (EC) Section 17075.10, pursuant to Assembly Bill (AB) 127 (Chapter 35, Statutes of 2006 – Nunez and Perata), which provides up to \$199.5 million for seismic mitigation.

BACKGROUND

AB 127 was signed into law on May 20, 2006 and has an urgency clause that requires the statute be operative on November 7, 2006 in the event the voters of California approve the ballot. AB 127 provides amendments to EC Section 17075.10 and the Facility Hardship Program, and authorizes up to \$199.5 million for seismic mitigation of the most vulnerable school facilities that are a Category 2 building that pose an unacceptable risk of injury to its occupants in the event of a seismic occurrence.

DISCUSSION

This item is continued from the July 21, 2006 Implementation Committee meeting. Staff presented a discussion item during the last meeting to gain feedback from the Committee members and the audience. Based on that feedback, the Division of State Architect has prepared the following Attachment that identifies the approach to determine the specific criteria that will be used in evaluating if a building is the “most vulnerable”.

RECOMMENDATION

Accept the proposal. Regulations will be presented at a future Implementation Committee meeting.

BACKGROUND:

AB 127, Chapter 35, Statutes of 2006 (Kindergarten-University Public Education Facilities Bond Act of 2006) provides state general obligation bonds in the amount of \$7.3 billion to provide additional aid to California schools to construct and modernize K-12 school facilities if approved by the voters on November 6, 2006. Amendments to Education Code Section 17075.10 allow up to \$199.5 million of this amount to be used as hardship assistance for mitigation of seismic hazards. The funding may become available for retrofit of Category 2 school facilities, as defined in the “Seismic Safety Inventory of California Public Schools”, determined by the Department of General Services to pose an unacceptable risk of injury to the facility’s occupants.

AB 300, Chapter 622, Statutes of 1999, required the Department of General Services to conduct and report upon a seismic safety inventory of public school buildings that are non-wood frame that do not meet the minimum requirements of the 1976 Uniform Building Code. The report titled “Seismic Safety Inventory of California Public Schools” revealed that over 7,500 public school buildings had structural systems which require detailed seismic evaluation to determine if they can achieve life-safety performance when subjected to major earthquake induced ground motions. These types of structural systems were labeled Category 2 buildings.

DISCUSSION/ANALYSIS:

The State portion for the funding of seismic retrofits provided in AB 127 is \$199.5 million. When combined with the matching funding from the school district, total funding would be approximately \$400 million. The AB 300 report estimated \$4.7 billion would be needed for seismic evaluation and rehabilitation of all Category 2 buildings. Since the funding is limited, a methodology for determining the “most vulnerable” school buildings is needed. This methodology must: 1) be the state of art for ranking the vulnerability of the building, 2) establish acceptable analysis procedures for structural engineers to use in evaluating building vulnerability, 3) establish definitive thresholds that must be exceeded to qualify as the “most vulnerable” buildings, 4) not require substantial time or a high level of expertise for reviewing and approving submitted reports.

RECOMMENDATION:

The school district would apply for funding by submittal of a vulnerability evaluation report and an application to DGS (DSA and OPSC). DSA would establish the report requirements and the procedures to be followed for review of the report to determine compliance with the specific criteria. Following DSA’s review of the report, OPSC would evaluate the application for possible approval.

In order to develop the report requirements and procedures to be followed, DSA proposes to survey a list of experts in seismic evaluation and rehabilitation of buildings and to assist in the following activities:

1. Determine which of the Category 2 structural systems are the most vulnerable and pose the highest risk to the safety of the building’s occupants.
2. Determine the minimum level of horizontal acceleration response of buildings with short periods of vibration (with 10% chance of being exceeded in 50 years) that must be exceeded at the location of the building in order for the building to qualify for funding.
3. Determine a methodology for evaluating the actual strength of the building relative to the possible lateral loads it must resist (demand/capacity ratio). Then establish the value that must be exceeded in order for the building to qualify for funding.

RECOMMENDATION (cont.):

4. Determine the best methodology for analyzing the demand/capacity ratio of the building.

The list of experts in seismic rehabilitation will be surveyed in August 2006 to complete the tasks indicated above.

DSA will review the AB 300 inventory database to provide a rough estimate of the likely number of buildings that would qualify for funding using the criteria established above in order to set an appropriate minimum vulnerability threshold.

Require school districts to submit a report that meets or exceeds the minimum criteria as established above.

DSA will review the report to verify compliance with the criteria and inform the Office of Public School Construction (OPSC) of the results.

Funding procedures will be developed by OPSC.

EXAMPLE: Establishing the “most vulnerable” threshold for funding

For **illustrative purposes only** DSA has reviewed the AB 300 inventory database to provide a rough estimate of the likely number of buildings in the inventory that would qualify for funding using the following criteria for establishing the “most vulnerable” threshold.

- Most Vulnerable of the Category 2 buildings: C1, C1B, PC1A
- Horizontal Acceleration Response: 1.4 g or more
- Demand/Capacity Ratio: 2.5 or more

- Total number of Most Vulnerable Buildings: 1,482 Buildings
- Total Square Feet: 15,556,000 Square Feet
- Percentage of Category 2 Buildings located within an area with Horizontal Acceleration Response 1.4 g or more: 26%

- Estimated number of “most vulnerable” buildings needing evaluation for meeting the Demand/Capacity Ratio: 385 Buildings = 4,000,000 sq ft

- Estimated Square Feet with Demand/Capacity Ratio 2 or more: Use 75% = 3,000,000 sq ft

The following cost estimate uses costs as shown in the AB 300 report for evaluation, design, construction, project management, etc. (Report written in November, 2001)

- Seismic Rehabilitation Costs \$180 million
- Soft Costs (29%) \$ 52 million
- Total **\$232 million**

- Cost indexing 2001 – 2006 (use 30%)
- Cost in 2006 dollars is approximately \$300 million

Note: If RM1 buildings are included in the Most Vulnerable of the Category 2 buildings. The number of buildings needing evaluation jumps from 385 to 1,420 buildings. The cost in 2006 dollars would climb to \$853 million.

The above cost does not include additional costs associated with code required improvements (such as, asbestos and lead paint removal, disabled access upgrades, fire/life safety upgrades, etc.) that are triggered when a major reconstruction occurs. The above cost also does not include owner directed improvements that typically are coordinated with the structural upgrade when an older building is being substantially repaired. The above additional collateral costs can often double or triple the actual project cost.

ATTACHMENT A

Assembly Bill No. 127

CHAPTER 35

An act to amend Sections 17070.40, 17072.35, 17075.10, 17078.52, 17078.53, 17078.54, 17078.56, 17078.58, 17261, and 81130.3 of, to add Sections 17070.96, 17072.11, and 81052 to, to add Article 13 (commencing with Section 17078.70) and Article 14 (commencing with Section 17079) to Chapter 12.5 of Part 10 of, and to add Part 69 (commencing with Section 101000) to, the Education Code, to amend Section 65997 of the Government Code, to amend Section 4 of Chapter 421 of the Statutes of 2001, and to amend Section 4 of Chapter 637 of the Statutes of 2002, relating to education facilities, by providing the funds necessary therefor through an election for the issuance and sale of bonds of the State of California and for the handling and disposition of those funds, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 20, 2006. Filed with Secretary of State May 20, 2006.]

LEGISLATIVE COUNSEL'S DIGEST

AB 127, Nunez. Education facilities: Kindergarten-University Public Education Facilities Bond Act of 2006.

(1) Existing law, the California Constitution, prohibits the Legislature from creating a debt or liability that singly or in the aggregate with any previous debts or liabilities exceeds the sum of \$300,000, except by an act that (a) authorizes the debt for a single object or work specified in the act, (b) has been passed by a $\frac{2}{3}$ vote of all the members elected to each house of the Legislature, (c) has been submitted to the people at a statewide general or primary election, and (d) has received a majority of all the votes cast for and against it at that election.

Existing law, the Leroy F. Greene School Facilities Act of 1998, requires the State Allocation Board to allocate to applicant school districts, prescribed per-unhoused-pupil state funding for construction and modernization of school facilities, including hardship funding, and supplemental funding for site development and acquisition.

This bill would enact the Kindergarten-University Public Education Facilities Bond Act of 2006 to authorize \$10,416,000,000 of state general obligation bonds to provide aid to school districts, county superintendents of schools, county boards of education, the California Community Colleges, the University of California, the Hastings College of the Law, and the California State University to construct and modernize education facilities.

The bond act would become operative only if approved by the voters at the November 7, 2006, statewide general election, and would provide for its submission to the voters at that election.

The bill would also submit to the voters for approval an authorization to use the proceeds of any bond act, approved on or before January 1, 2006, that are designated for joint-use facilities to be used for other related school facilities projects.

(2) This bill would specify that certain provisions of the bill shall become operative only if the Kindergarten-University Public Education Facilities Bond Act of 2006 is approved by the voters at the November 7, 2006, statewide general election.

(3) The bill would make conforming, technical changes in related provisions of existing law.

(4) The bill would declare that it is to take effect immediately as an urgency statute.

The people of the State of California do enact as follows:

1 SECTION 1. Section 17070.40 of the Education Code is amended to
2 read:
3 17070.40. (a) (1) A fund is hereby established in the State Treasury to
4 be known as the 1998 State School Facilities Fund. All money in the fund,
5 including any money deposited in that fund from any source whatsoever,
6 and notwithstanding Section 13340 of the Government Code, is hereby
7 continuously appropriated without regard to fiscal years for expenditure
8 pursuant to this chapter.
9 (2) The board may apportion funds to school districts for the purposes
10 of this chapter from funds transferred to the 1998 State School Facilities
11 Fund from any source.
12 (3) The board may make apportionments in amounts not exceeding
13 those funds on deposit in the 1998 State School Facilities Fund, and any
14 amount of bonds authorized by the committee, but not yet sold by the
15 Treasurer.
16 (4) The board may make disbursements pursuant to any apportionment
17 made from any funds in the 1998 State School Facilities Fund, irrespective
18 of whether there exists at the time of the disbursement an amount in the
19 1998 State School Facilities Fund sufficient to permit payment in full of
20 all apportionments previously made. However, no disbursement shall be
21 made from any funds required by law to be transferred to the General
22 Fund.
23 (b) (1) A fund is hereby established in the State Treasury to be known
24 as the 2002 State School Facilities Fund. All money in the fund, including
25 any money deposited in that fund from any source whatsoever, and
26 notwithstanding Section 13340 of the Government Code, is hereby
27 continuously appropriated without regard to fiscal years for expenditure
28 pursuant to this chapter.

29 (2) The board may apportion funds to school districts for the purposes
30 of this chapter from funds transferred to the 2002 State School Facilities
31 Fund from any source.

32 (3) The board may make apportionments in amounts not exceeding
33 those funds on deposit in the 2002 State School Facilities Fund, and any
34 amount of bonds authorized by the committee, but not yet sold by the
35 Treasurer.

36 (4) The board may make disbursements pursuant to any apportionment
37 made from any funds in the 2002 State School Facilities Fund, irrespective
38 of whether there exists at the time of the disbursement an amount in the
39 2002 State School Facilities Fund sufficient to permit payment in full of
40 all apportionments previously made. However, no disbursement shall be
41 made from any funds required by law to be transferred to the General
42 Fund.

43 (c) (1) A fund is hereby established in the State Treasury to be known
44 as the 2004 State School Facilities Fund. All money in the fund, including
45 any money deposited in that fund from any source whatsoever, and
46 notwithstanding Section 13340 of the Government Code, is hereby
47 continuously appropriated without regard to fiscal years for expenditure
48 pursuant to this chapter.

49 (2) The board may apportion funds to school districts for the purposes
50 of this chapter from funds transferred to the 2004 State School Facilities
51 Fund from any source.

52 (3) The board may make apportionments in amounts not exceeding
53 those funds on deposit in the 2004 State School Facilities Fund, and any
54 amount of bonds authorized by the committee, but not yet sold by the
55 Treasurer.

56 (4) The board may make disbursements pursuant to any apportionment
57 made from any funds in the 2004 State School Facilities Fund, irrespective
58 of whether there exists at the time of the disbursement an amount in the
59 2004 State School Facilities Fund sufficient to permit payment in full of
60 all apportionments previously made. However, no disbursement shall be
61 made from any funds required by law to be transferred to the General
62 Fund.

63 (d) (1) A fund is hereby established in the State Treasury, to be known
64 as the 2006 State School Facilities Fund. All money in the fund, including
65 any money deposited in that fund from any source whatsoever, and
66 notwithstanding Section 13340 of the Government Code, is hereby
67 continuously appropriated without regard to fiscal years for expenditure
68 pursuant to this chapter.

69 (2) The board may apportion funds to school districts for the purposes
70 of this chapter from funds transferred to the 2006 State School Facilities
71 Fund from any source.

72 (3) The board may make apportionments in amounts not exceeding
73 those funds on deposit in the 2006 State School Facilities Fund, and any
74 amount of bonds authorized by the committee, but not yet sold by the
75 Treasurer.

76 (4) The board may make disbursements pursuant to any apportionment
77 made from any funds in the 2006 State School Facilities Fund, irrespective
78 of whether there exists at the time of the disbursement an amount in the
79 2006 State School Facilities Fund sufficient to permit payment in full of
80 all apportionments previously made. However, no disbursement shall be
81 made from any funds required by law to be transferred to the General
82 Fund.

83 SEC. 2. Section 17070.96 is added to the Education Code, to read:
84 17070.96. As part of its application for funding under this chapter, a
85 school district shall certify that it has considered the feasibility of using
86 designs and materials for the construction or modernization project that
87 promote the efficient use of energy and water, the maximum use of natural
88 lighting and indoor air quality, the use of recycled materials and materials
89 that emit a minimum of toxic substances, the use of acoustics conducive to
90 teaching and learning, and other characteristics of high performance
91 schools.

92 SEC. 3. Section 17072.11 is added to the Education Code, to read:
93 17072.11. (a) All of the following shall apply on and after July 1,
94 2006, until January 1, 2008:

95 (1) The per-unhoused-pupil grant eligibility determined under
96 paragraphs (1) and (2) of subdivision (a) of Section 17072.10 shall be
97 increased by 7 percent.

98 (2) The per-unhoused-pupil grant eligibility determined under
99 paragraph (3) of subdivision (a) of Section 17072.10 shall be increased by
100 4 percent.

101 (3) The board shall conduct an analysis of the relationship between the
102 per-unhoused-pupil grant eligibility determined under this article and the
103 per-pupil cost of new school construction for elementary, middle, and high
104 school pupils.

105 (b) On or after January 1, 2008, the board shall increase or decrease the
106 per-unhoused-pupil grant eligibility by amounts it deems necessary to
107 cause the grants to correspond to costs of new school construction,
108 provided that the increase in any fiscal year pursuant to this section shall
109 not exceed 6 percent.

110 SEC. 4. Section 17072.35 of the Education Code is amended to read:
111 17072.35. A grant for new construction may be used for any and all
112 costs necessary to adequately house new pupils in any approved project,
113 and those costs may only include the cost of design, engineering, testing,
114 inspection, plan checking, construction management, site acquisition and
115 development, evaluation and response action costs relating to hazardous
116 substances at a new or existing schoolsite, demolition, construction,
117 acquisition and installation of portable classrooms, landscaping, necessary
118 utility costs, utility connections and other fees, equipment including
119 telecommunication equipment to increase school security, furnishings, and
120 the upgrading of electrical systems or the wiring or cabling of classrooms
121 in order to accommodate educational technology. A grant for new
122 construction may also be used to acquire an existing government or

123 privately owned building, or a privately financed school building, and for
124 the necessary costs of converting the government or privately owned
125 building for public school use. A grant for new construction may also be
126 used for the costs of designs and materials that promote the efficient use of
127 energy and water, the maximum use of natural lighting and indoor air
128 quality, the use of recycled materials and materials that emit a minimum of
129 toxic substances, the use of acoustics conducive to teaching and learning,
130 and other characteristics of high performance schools.

131 SEC. 5. Section 17075.10 of the Education Code is amended to read:

132 17075.10. (a) A school district may apply for hardship assistance in
133 cases of extraordinary circumstances. Extraordinary circumstances may
134 include, but are not limited to, the need to repair, reconstruct, or replace
135 the most vulnerable school facilities that are a Category 2 building, as
136 defined in the report submitted pursuant to Section 17317, determined by
137 the department to pose an unacceptable risk of injury to its occupants in
138 the event of a seismic event.

139 (b) A school district applying for hardship state funding under this
140 article shall comply with either paragraph (1) or (2).

141 (1) Demonstrate both of the following:

142 (A) That due to extreme financial, disaster-related, or other hardship the
143 school district has unmet need for pupil housing.

144 (B) That the school district is not financially capable of providing the
145 matching funds otherwise required for state participation, that the district
146 has made all reasonable efforts to impose all levels of local debt capacity
147 and development fees, and that the school district is, therefore, unable to
148 participate in the program pursuant to this chapter except as set forth in
149 this article.

150 (2) Demonstrate that due to unusual circumstances that are beyond the
151 control of the district, excessive costs need to be incurred in the
152 construction of school facilities. Funds for the purpose of seismic
153 mitigation work or facility replacement pursuant to this section shall be
154 allocated by the board on a 50 percent state share basis from any funds
155 reserved for that purpose in any bond approved by the voters after January
156 1, 2006. If the board determines that the seismic mitigation work of a
157 school building would require funding that is greater than 50 percent of the
158 funds required to construct a new facility, the school district shall be
159 eligible for funding to construct a new facility under this chapter.

160 (c) The board shall review the increased costs that may be uniquely
161 associated with urban construction and shall adjust the per-pupil grant for
162 new construction or modernization hardship applications as necessary to
163 accommodate those costs. The board shall adopt regulations setting forth
164 the standards, methodology, and a schedule of allowable adjustments, for
165 the urban adjustment factor established pursuant to this subdivision.

166 SEC. 6. Section 17078.52 of the Education Code is amended to read:

167 17078.52. (a) There is hereby established the Charter Schools
168 Facilities Program to provide funding to qualifying entities for the purpose
169 of establishing school facilities for charter school pupils.

170 (b) (1) The 2002 Charter School Facilities Account is hereby
171 established within the 2002 State School Facilities Fund established
172 pursuant to subdivision (b) of Section 17070.40. The proceeds of bonds, as
173 set forth in subparagraph (A) of paragraph (1) of subdivision (a) of Section
174 100620, shall be deposited into the 2002 Charter School Facilities Account
175 for the purposes of this article. Notwithstanding Section 13340 of the
176 Government Code, funds deposited into the account are hereby
177 continuously appropriated for the purposes of this article.

178 (2) The 2004 Charter School Facilities Account is hereby established
179 within the 2004 State School Facilities Fund established pursuant to
180 subdivision (c) of Section 17070.40. The proceeds of bonds, as set forth in
181 subparagraph (A) of paragraph (1) of subdivision (a) of Section 100820, if
182 approved by the voters, shall be deposited into the 2004 Charter School
183 Facilities Account for the purposes of this article. Notwithstanding Section
184 13340 of the Government Code, funds deposited into the account are
185 hereby continuously appropriated for the purposes of this article.

186 (3) The 2006 Charter School Facilities Account is hereby established
187 within the 2006 State School Facilities Fund established pursuant to
188 subdivision (d) of Section 17070.40. The proceeds of bonds, as set forth in
189 paragraph (2) of subdivision (a) of Section 101012, if approved by the
190 voters, shall be deposited into the 2006 Charter School Facilities Account
191 for the purposes of this article. Notwithstanding Section 13340 of the
192 Government Code, funds deposited into the account are hereby
193 continuously appropriated for the purposes of this article.

194 (c) As used in this article, the following terms have the following
195 meanings:

196 (1) "Authority" means the California School Finance Authority
197 established pursuant to Section 17172.

198 (2) "Account" means the pertinent account established under
199 subdivision (b).

200 (3) "Preliminary apportionment" means an apportionment made for
201 eligible applicants under this article in advance of full compliance with all
202 of the application requirements otherwise required for an apportionment
203 pursuant to this chapter. The process for making preliminary
204 apportionments under this article shall be substantially identical to the
205 process established for critically overcrowded schools pursuant to Sections
206 17078.22 to 17078.30, inclusive.

207 (4) "Financially sound" means a charter school that has demonstrated,
208 over a period of time determined by the authority, but not less than 24
209 months immediately preceding the submission of the application, that it
210 has operated as a financially capable concern in California, as measured by
211 criteria established by the authority. A charter school that cannot
212 demonstrate that it has been a financially capable concern for at least 24
213 months immediately preceding the submission of the application, due
214 solely to not having operated as a charter school for at least 24 months,
215 may meet this 24-month requirement if the charter school is managed by
216 staff who have at least 24 months of documented experience, as measured

217 by criteria established by the authority and the charter school has an
218 educational plan, financial resources, facilities expertise, management
219 expertise, and has been a financially capable concern for at least 24
220 months, as established by the authority.

221 (d) The board shall, from time to time, transfer funds within the account
222 to the California School Finance Authority Fund for the purposes of this
223 article pursuant to the request of the authority as set forth in this article
224 SEC. 7. Section 17078.53 of the Education Code is amended to read:
225 17078.53. (a) The initial preliminary applications for projects to be
226 funded pursuant to this article shall be submitted to the board by March
227 31, 2003. Thereafter, the board may establish subsequent application
228 periods as needed.

229 (b) Preliminary applications may be submitted by eligible applicants as
230 set forth in this article by either of the following:

231 (1) A school district on behalf of a charter school that is physically
232 located within the geographical jurisdiction of the school district.

233 (2) A charter school on its own behalf if the charter school has notified
234 both the superintendent and the governing board of the school district in
235 which it is physically located of its intent to do so in writing at least 30
236 days prior to submission of the preliminary application.

237 (c) A preliminary application shall demonstrate either of the following:

238 (1) That a charter petition for the school for which the application is
239 submitted has been granted by the appropriate chartering entity prior to the
240 application deadline determined by the board.

241 (2) That an already existing charter has been amended to include the
242 school for which the application is submitted and approved by the
243 appropriate chartering entity prior to the deadline determined by the board.

244 (d) A preliminary application shall include either of the following:

245 (1) For a preliminary application submitted pursuant to paragraph (1) of
246 subdivision (b), the number of unhoused pupils determined pursuant to
247 Article 3 (commencing with Section 17071.75) that will be housed by the
248 project for which the preliminary application has been submitted.

249 (2) For a preliminary application submitted pursuant to paragraph (2) of
250 subdivision (b), a certification from the governing board of the district
251 within which the charter school is physically located of the number of
252 unhoused pupils for that district determined pursuant to Article 3
253 (commencing with Section 17071.75) that will be housed by the project
254 for which the preliminary application has been submitted.

255 (e) Prior to submitting a preliminary application, the school district and
256 charter school shall consider existing school district facilities in
257 accordance with Section 47614.

258 (f) The board, after consideration of the recommendations of the
259 authority regarding whether a charter school is financially sound, shall
260 approve the preliminary application and shall make the preliminary
261 apportionment for funding pursuant to this article.

262 (g) (1) The board shall establish a process to ensure that pupil
263 attendance in a charter school that is physically located within the

264 geographical jurisdiction of a school district is counted as per-pupil
265 eligibility for that school district and to ensure that the same per-pupil
266 attendance is not so counted for any other school district or other applicant
267 under this chapter.

268 (2) (A) Except as provided pursuant to subparagraph (B) and
269 notwithstanding subdivision (b) of Section 17071.75, the number of pupils
270 for which facilities are provided under this article shall not be included in
271 the sum determined under subdivision (b) of Section 17071.75.

272 (B) The number of unhoused pupils determined pursuant to subdivision
273 (d) that will be housed by the project for which a preliminary application
274 has been submitted shall be included in the sum determined under
275 subdivision (b) of Section 17071.75.

276 (h) The board shall establish a process to be used for release of funds
277 for approved projects pursuant to this article. Notwithstanding Section
278 17072.30, the board may provide for the release of planning and site
279 acquisition funds prior to the approval of the project by the Department of
280 General Services pursuant to the Field Act, as defined in Section 17281.
281 SEC. 8. Section 17078.54 of the Education Code is amended to read:

282 17078.54. (a) An eligible project under this article shall include
283 funding, as permitted by this chapter, for new construction or
284 rehabilitation of a school facility for charter school pupils, as set forth in
285 this article. A project may include, but is not limited to, the cost of
286 retrofitting an existing building for charter school purposes, purchasing a
287 building, or retrofitting a building that has been purchased by the charter
288 school, if those costs have not been previously funded under this chapter,
289 but may not exceed the amounts set forth in subdivision (b). Existing
290 school buildings made available by a school district that will be
291 rehabilitated for the purposes of this article are not subject to Article 6
292 (commencing with Section 17073.10). An allocation of funds shall not be
293 made for a school facility that is less than 15 years old.

294 (b) The maximum amount of the funding pursuant to this article shall
295 be determined by calculating the charter school's per-pupil grant amount
296 plus other allowable costs as set forth in this chapter. Funding shall be
297 provided by the authority for new facility construction or rehabilitation as
298 set forth in Section 17078.58.

299 (c) To be funded under this article, a project shall comply with all of the
300 following:

301 (1) It shall meet all the requirements regarding public school
302 construction, plan approvals, toxic substance review, site selection, and
303 site approval, as would any noncharter school project of a school district
304 under this chapter, including, but not limited to, regulations adopted by the
305 State Architect pursuant to Section 17280.5 relating to the retrofitting of
306 existing buildings, as applicable.

307 (2) Notwithstanding any provision of law to the contrary, including, but
308 not limited to paragraph (1), the board, after consulting with the relevant
309 regulatory agencies, shall, to the extent feasible, adopt regulations
310 establishing a process for projects to be subject to a streamlined method

311 for obtaining regulatory approvals for all requirements described in
312 paragraph (1), except for the requirements of the Field Act as defined in
313 Section 17281 which shall be complied with in the same manner as any
314 other project under this chapter.

315 (3) The board shall fund only new construction to be physically located
316 within the geographical jurisdiction of a school district.

317 (d) Facilities funded pursuant to this article shall have a 50 percent
318 local share matching obligation that may be paid by the applicant through
319 lease payments in lieu of the matching share, or as otherwise set forth in
320 this article, including, but not limited to, Section 17078.58.

321 (e) The authority may charge its administrative costs against the
322 respective 2002, 2004, or 2006 Charter School Facilities Account, which
323 shall be subject to the approval of the Department of Finance and which
324 may not exceed 2.5 percent of the account.

325 SEC. 9. Section 17078.56 of the Education Code is amended to read:
326 17078.56. (a) The board, in consultation with the authority, shall
327 approve projects pursuant to this article as otherwise set forth in this
328 chapter, and shall make preliminary apportionments only to financially
329 sound applicants in accordance with all of the following criteria:

330 (1) The board shall seek to ensure that, when considered as a whole, the
331 applications approved pursuant to this article are fairly representative of
332 the various geographical regions of the state.

333 (2) The board shall seek to ensure that, when considered as a whole, the
334 applications approved pursuant to this article are fairly representative of
335 urban, rural, and suburban regions of the state.

336 (3) The board shall seek to ensure that, when considered as a whole, the
337 applications approved pursuant to this article are fairly representative of
338 large, medium, and small charter schools throughout the state.

339 (4) The board shall seek to ensure that, when considered as a whole, the
340 applications approved pursuant to this article are fairly representative of
341 the various grade levels of pupils served by charter school applicants
342 throughout the state.

343 (b) While ensuring that the requirements of subdivision (a) are met
344 when considering all approved projects under this article as a whole, the
345 board shall, within each factor of the criteria set forth in subdivision (a),
346 give a preference to charter schools in overcrowded school districts,
347 charter schools in low-income areas, charter schools operated by
348 not-for-profit entities, and charter schools that utilize existing school
349 district facilities.

350 SEC. 10. Section 17078.58 of the Education Code is amended to read:
351 17078.58. (a) Funding granted pursuant to this article may not exceed
352 100 percent of the total allowable project costs as determined by
353 calculating double the per-pupil grant eligibility as set forth in Section
354 17072.10, and subdivision (e) of Section 17078.53, plus 100 percent of all
355 other allowable construction project costs, as appropriate to the project,
356 that would otherwise be available to school district projects as set forth in
357 this chapter. Funding granted for the purposes of rehabilitating buildings

358 under Section 17078.54 shall be limited to the costs necessary to comply
359 with subdivision (c) of Section 17078.54, and shall not exceed the
360 maximum costs that would otherwise be allowable for a new construction
361 project funded under this article.

362 (b) The local share equivalent shall be collected in the form of lease
363 payments or otherwise as set forth in this article.

364 (c) Lease payments in lieu of local share payments, and any other local
365 share payments made pursuant to this article, shall be made to the board
366 for deposit into the respective 2002, 2004, or 2006 Charter School
367 Facilities Account. Funds deposited into the account pursuant to this
368 section may be used by the board only for a purpose related to charter
369 school facilities pursuant to this article.

370 (d) When a preliminary apportionment under this article is converted to
371 a final apportionment, any funds not needed for the final apportionment
372 shall remain in the 2002, 2004, or 2006 Charter School Facilities Account
373 for use by the board for any purpose related to charter school facilities
374 pursuant to this article.

375 SEC. 11. Article 13 (commencing with Section 17078.70) is added to
376 Chapter 12.5 of Part 10 of the Education Code, to read:

377 Article 13. Career Technical Education Facilities Program

378 17078.70. (a) For the purposes of this article, “reconfiguration” means
379 any modification of a structure of any age that will enhance the
380 educational opportunities for pupils in existing middle and high schools in
381 order to provide them with the skills and knowledge necessary for
382 high-demand technical careers.

383 (b) “Reconfiguration” may include limited new construction necessary
384 to accommodate the reconfiguration.

385 17078.72. (a) The Career Technical Education Facilities Program is
386 hereby established to provide funding to qualifying local educational
387 agencies for the purpose of constructing new facilities or reconfiguring
388 existing facilities, including, but not limited to, purchasing equipment with
389 an average useful life expectancy of at least 10 years, to enhance
390 educational opportunities for pupils in existing high schools in order to
391 provide them with the skills and knowledge necessary for the high-demand
392 technical careers of today and tomorrow.

393 (b) The State Department of Education, in cooperation with the
394 Chancellor’s Office of the Community Colleges, the Labor and Workforce
395 Development Agency, and industry groups, shall develop criteria and pupil
396 outcome measures to evaluate the program. The criteria shall ensure
397 equity, program relevance to industry needs, and articulation with more
398 advanced coursework at the partnering community colleges or private
399 institutions.

400 (c) The program shall be based on grant applications administered by
401 the board.

402 (d) Grants shall be allocated on a per-square-foot basis for the
403 applicable type of construction proposed or deemed necessary by the
404 board consistent with the approved application for the project.

405 (e) New construction grants shall not exceed three million dollars
406 (\$3,000,000) per project per schoolsite, inclusive of equipment, and shall
407 only be allocated to comprehensive high schools that have an active Career
408 Technical Advisory Committee pursuant to Section 8070, in either of the
409 following methods:

410 (1) For a stand-alone project on a per-square-foot basis for the
411 applicable type of construction proposed, based on the criteria established
412 pursuant to subdivision (b), consistent with the approved application for
413 the project.

414 (2) For new school projects, as a supplement to the per pupil allocation
415 pursuant to Section 17072.10. The supplement is intended to cover excess
416 costs uniquely related to the facilities required to provide the career
417 technical education program or programs.

418 (f) Modernization grants shall not exceed one million five hundred
419 thousand dollars (\$1,500,000) per project per schoolsite, inclusive of
420 equipment and may be awarded to comprehensive high schools or joint
421 power authorities currently operating career technical education programs
422 that have an active Career Technical Advisory Committee pursuant to
423 Section 8070 for the purpose of reconfiguration. For comprehensive high
424 schools, the grant shall be supplemental to the per pupil allocation
425 pursuant to Section 17074.10. The supplement is intended to cover excess
426 costs uniquely related to the facilities required to provide the career
427 technical education program or programs.

428 (g) (1) A school district shall contribute from local resources a dollar
429 amount that is equal to the amount of the grant of state funds awarded
430 under subdivisions (d), (e), and (f). The local contribution may be
431 provided by private industry groups, the school district, or a joint powers
432 authority.

433 (2) A school district shall not be required to demonstrate that it has
434 unhouseed pupils or that a permanent school building is more than 25 years
435 old in order to receive a grant under the program.

436 (h) The program shall allow the local contribution to be paid over time
437 should sufficient local funds not be immediately available. The board may
438 provide for a repayment schedule consistent with subparagraphs (C) and
439 (D) of paragraph (1) of subdivision (a) of Section 17078.57. The board
440 shall not waive the local contribution on the basis of financial hardship or
441 on any other basis.

442 (i) Applications shall meet the criteria developed under subdivision (b)
443 and shall require all of the following:

444 (1) A clear and comprehensive Career Technical Education plan for
445 each course of study applicable to the instructional space.

446 (2) Projections of pupil enrollment.

447 (3) Identification of feeder schools, industry partners, and community
448 colleges or other postsecondary schools participating in the development,
449 articulation, and review of the educational program.
450 (4) Evidence of approval of the plan by the entities listed in paragraph
451 (3).
452 (5) The method by which accountability for pupil enrollments and
453 outcomes will be maintained. Outcomes shall include, but are not limited
454 to, certificate completion, the successful entry of pupil to employment in
455 the applicable industry, and successful transition to post-secondary
456 institutions for work in the applicable industry or other areas of study.
457 (6) Evidence of coordination with all feeder schools, middle schools,
458 and high schools within the area to ensure that the project and programs
459 complement career technical education offerings in the area.
460 (7) Evidence that upon completion of the project the local educational
461 agency will meet all of its obligations under Section 51228 relating to
462 career technical education.
463 (j) Applications shall give weight to the number of pupils expected to
464 attend, the cost per pupil, financial participation by industry partners in the
465 construction and equipping of the facility, commitment to accountability
466 for outcomes and participation, the strength and relevance of the
467 educational plans to the needs of industry for qualified technical
468 employees applicable to the economic development needs of the region in
469 which the project will be located, and coordination and articulation with
470 feeder schools, other high schools, and community colleges.
471 (k) The Office of Public School Construction shall develop and the
472 board shall approve regulations to implement this article on or before April
473 19, 2007, and the board may promulgate those regulations first on an
474 emergency basis, which shall be effective for no more than 12 months,
475 after which any permanent regulations shall be promulgated in accordance
476 with the Administrative Procedure Act (Chapter 3.5 (commencing with
477 Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).
478 SEC. 12. Article 14 (commencing with Section 17079) is added to
479 Chapter 12.5 of Part 10 of the Education Code, to read:

480 Article 14. Overcrowding Relief Grants

481 17079. (a) For purposes of this article, an eligible school is a school
482 for which the schoolsite pupil population density is equal to or greater than
483 175 percent of the schoolsite pupil population density recommended by
484 the Superintendent as of January 1, 2006, adjusted by the following
485 factors:
486 (1) The density calculation shall be reduced to take into account the
487 additional pupil capacity created by multistory construction.
488 (2) The schoolsite pupil population density shall be reduced to take into
489 account approved new construction projects, including projects approved
490 pursuant to Article 11 (commencing with Section 17078.10).

491 (b) The board shall adopt regulations to determine the adjustments set
492 forth in paragraphs (1) and (2) of subdivision (a).
493 17079.10. (a) For purposes of this article, an eligible pupil is a pupil
494 who is housed in a portable classroom, except portable classrooms used
495 for purposes of the Class Size Reduction Program set forth in Chapter 6.10
496 (commencing with Section 52120) of Part 28, at an eligible school.
497 (b) The board shall apportion an overcrowding relief grant to districts
498 on behalf of each eligible pupil equal to the appropriate
499 per-unhoused-pupil grant amount pursuant to Section 17072.10. The
500 number of overcrowding relief grants apportioned shall be subject to the
501 following limitations:
502 (1) The number of grants apportioned on behalf of an eligible school
503 shall not exceed the number of pupils whose removal from the pupil
504 density calculation would reduce the density of the eligible schoolsite to
505 150 percent of the schoolsite pupil population density recommended by
506 the Superintendent as of January 1, 2006.
507 (2) A district shall not receive more grants than the number of pupils
508 housed in portable classrooms that were included in the initial new
509 construction eligibility determination of the district pursuant to Article 3
510 (commencing with Section 17071.75).
511 17079.20. (a) The board shall require that applications for funding
512 pursuant to this article be used for an equivalent number of permanent new
513 school construction classrooms to replace the portable classrooms upon
514 which the determination of the number of eligible pupils is based. The
515 board shall also require the application to describe how the project will
516 relieve overcrowding at the eligible school.
517 (b) The board shall create a list of projects eligible for funding and shall
518 approve applications semiannually on a schedule determined by the board.
519 (c) The board shall require that applicant school districts comply with
520 all of the same conditions otherwise required for new construction funding
521 pursuant to this chapter with the exception of subdivision (b) of Section
522 17071.75.
523 (d) The board shall not apportion funds for a project pursuant to this
524 article any portion of which involves the construction, acquisition, or
525 transportation of portable classrooms for any school in the school district.
526 (e) In the event the funding available to the board for purposes of this
527 article is less than the amount necessary to fund all eligible applications,
528 the board shall prioritize and fund the projects on the basis of the pupil
529 density of the eligible schools.
530 17079.30. (a) The board shall require both of the following as
531 conditions for receiving funding pursuant to this article:
532 (1) Within six months after the date of initial occupancy of the
533 permanent school facilities constructed pursuant to this article, the school
534 district shall remove from the eligible school, and remove from service as
535 classrooms in the district, the portable classrooms used for determining the
536 number of eligible pupils.

537 (2) The new school construction funding provided pursuant to this
538 article shall result in a reduction in the total number of portable classrooms
539 in the school district.

540 (b) This section does not preclude the school district from using the
541 portable classrooms removed from eligible schools for child care or
542 preschool programs, if those portable classrooms are not located at an
543 eligible school.

544 (c) This section does not apply to eligible schools operating on double
545 session schedules in an elementary school district in a county of the
546 second class, as set forth in Section 28023 of the Government Code.

547 SEC. 13. Section 17261 of the Education Code is amended to read:

548 17261. The State Allocation Board shall obtain construction plans for
549 school buildings appropriate for school districts in various climates and
550 geographical conditions of the state. The plans shall be composed of plans
551 designed to meet the needs of school districts requiring school buildings of
552 various sizes. The plans may include landscape suggestions. The plans
553 may include designs that promote the efficient use of energy and water, the
554 maximum use of natural lighting and indoor air quality, the use of recycled
555 materials and materials that emit a minimum of toxic substances, the use
556 of acoustics conducive to teaching and learning, and other characteristics
557 of high performance schools.

558 SEC. 14. Section 81052 is added to the Education Code, to read:

559 81052. Each school building constructed, reconstructed, modified, or
560 expanded after July 1, 2006, on a community college campus shall be built
561 according to the Field Act, as defined in Section 81130.3, or according to
562 the California Building Standards Code, as adopted by the California
563 Building Standards Commission.

564 SEC. 15. Section 81130.3 of the Education Code is amended to read:

565 81130.3. This article, together with Article 3 (commencing with
566 Section 17280) and Article 6 (commencing with Section 17365) of
567 Chapter 3 of Part 10.5 and Article 3 (commencing with Section 81050),
568 shall be known and may be cited as the "Field Act."

569 SEC. 16. Part 69 (commencing with Section 101000) is added to the
570 Education Code, to read:

571 PART 69. KINDERGARTEN-UNIVERSITY PUBLIC EDUCATION
572 FACILITIES BOND ACT OF 2006

573 Chapter 1. General

574 101000. This part shall be known and may be cited as the
575 Kindergarten-University Public Education Facilities Bond Act of 2006.
576 101001. The incorporation of, or reference to, any provision of
577 California statutory law in this part includes all acts amendatory thereof
578 and supplementary thereto.

579 101002. (a) Bonds in the total amount of ten billion four hundred
580 sixteen million dollars (\$10,416,000,000), not including the amount of any
581 refunding bonds issued in accordance with Sections 101030, 101039, and
582 101059, or so much thereof as is necessary, may be issued and sold to
583 provide a fund to be used for carrying out the purposes expressed in this
584 part and to reimburse the General Obligation Bond Expense Revolving
585 Fund pursuant to Section 16724.5 of the Government Code. The bonds,
586 when sold, shall be and constitute a valid and binding obligation of the
587 State of California, and the full faith and credit of the State of California is
588 hereby pledged for the punctual payment of the principal of, and interest
589 on, the bonds as the principal and interest become due and payable.
590 (b) Pursuant to this section, the Treasurer shall sell the bonds
591 authorized by the State School Building Finance Committee established by
592 Section 15909 or the Higher Education Facilities Finance Committee
593 established pursuant to Section 67353, as the case may be, at any different
594 times necessary to service expenditures required by the apportionments.

595 Chapter 2. Kindergarten Through 12th Grade

596 Article 1. Kindergarten Through 12th Grade School Facilities Program
597 Provisions

598 101010. The proceeds of bonds issued and sold pursuant to Article 2
599 (commencing with Section 101020) shall be deposited in the 2006 State
600 School Facilities Fund established in the State Treasury under subdivision
601 (d) of Section 17070.40 and shall be allocated by the State Allocation
602 Board pursuant to this chapter.

603 101011. All moneys deposited in the 2006 State School Facilities Fund
604 for the purposes of this chapter shall be available to provide aid to school
605 districts, county superintendents of schools, and county boards of
606 education of the state in accordance with the Leroy F. Greene School
607 Facilities Act of 1998 (Chapter 12.5 (commencing with Section 17070.10)
608 of Part 10), as set forth in Section 101012, to provide funds to repay any
609 money advanced or loaned to the 2006 State School Facilities Fund under
610 any act of the Legislature, together with interest provided for in that act,
611 and to reimburse the General Obligation Bond Expense Revolving Fund
612 pursuant to Section 16724.5 of the Government Code.

613 101012. (a) The proceeds from the sale of bonds, issued and sold for
614 the purposes of this chapter, shall be allocated in accordance with the
615 following schedule:

616 (1) The amount of one billion nine hundred million dollars
617 (\$1,900,000,000) for new construction of school facilities of applicant
618 school districts under Chapter 12.5 (commencing with Section 17070.10)
619 of Part 10. Of the amount allocated under this paragraph, up to 10.5
620 percent shall be available for purposes of seismic repair, reconstruction, or
621 replacement, pursuant to Section 17075.10.

622 (2) The amount of five hundred million dollars (\$500,000,000) shall be
623 available for providing school facilities to charter schools pursuant to
624 Article 12 (commencing with Section 17078.52) of Chapter 12.5 of Part
625 10.

626 (3) The amount of three billion three hundred million dollars
627 (\$3,300,000,000) for the modernization of school facilities pursuant to
628 Chapter 12.5 (commencing with Section 17070.10) of Part 10.

629 (4) The amount of five hundred million dollars (\$500,000,000) for the
630 purposes set forth in Article 13 (commencing with Section 17078.70) of
631 Chapter 12.5 of Part 10, relating to facilities for career technical education
632 programs.

633 (5) Of the amounts allocated under paragraphs (1) and (3), up to two
634 hundred million dollars (\$200,000,000) for the purposes set forth in
635 Chapter 894 of the Statutes of 2004, relating to incentives for the creation
636 of smaller learning communities and small high schools.

637 (6) The amount of twenty-nine million dollars (\$29,000,000) for the
638 purposes set forth in Article 10.6 (commencing with Section 17077.40) of
639 Chapter 12.5 of Part 10, relating to joint use projects.

640 (7) The amount of one billion dollars (\$1,000,000,000) shall be
641 available for providing new construction funding to severely overcrowded
642 schoolsites pursuant to Article 14 (commencing with Section 17079) of
643 Chapter 12.5 of Part 10.

644 (8) The amount of one hundred million dollars (\$100,000,000) for
645 incentive grants to promote the use of designs and materials in new
646 construction and modernization projects that include the attributes of
647 high-performance schools, including, but not limited to, the elements set
648 forth in Section 17070.96, pursuant to regulations adopted by the State
649 Allocation Board.

650 (b) School districts may use funds allocated pursuant to paragraph (3)
651 of subdivision (a) only for one or more of the following purposes in
652 accordance with Chapter 12.5 (commencing with Section 17070.10) of
653 Part 10:

654 (1) The purchase and installation of air-conditioning equipment and
655 insulation materials, and related costs.

656 (2) Construction projects or the purchase of furniture or equipment
657 designed to increase school security or playground safety.

658 (3) The identification, assessment, or abatement in school facilities of
659 hazardous asbestos.

660 (4) Project funding for high-priority roof replacement projects.

661 (5) Any other modernization of facilities pursuant to Chapter 12.5
662 (commencing with Section 17070.10) of Part 10.

663 (c) Funds allocated pursuant to paragraph (1) of subdivision (a) may
664 also be utilized to provide new construction grants for eligible applicant
665 county boards of education under Chapter 12.5 (commencing with Section
666 17070.10) of Part 10 for funding classrooms for severely handicapped
667 pupils, or for funding classrooms for county community school pupils.

668 (d) (1) The Legislature may amend this section to adjust the funding
669 amounts specified in paragraphs (1) to (8), inclusive, of subdivision (a),
670 only by either of the following methods:
671 (A) By a statute, passed in each house of the Legislature by rollcall vote
672 entered in the respective journals, by not less than two-thirds of the
673 membership in each house concurring, if the statute is consistent with, and
674 furthers the purposes of, this chapter.
675 (B) By a statute that becomes effective only when approved by the
676 voters.
677 (2) Amendments pursuant to this subdivision may adjust the amounts to
678 be expended pursuant to paragraphs (1) to (8), inclusive, of subdivision
679 (a), but may not increase or decrease the total amount to be expended
680 pursuant to that subdivision.
681 (e) Funds available pursuant to this section may be used for acquisition
682 of school facilities authorized pursuant to Section 17280.5.

683 Article 2. Kindergarten Through 12th Grade School Facilities Fiscal
684 Provisions

685 101020. (a) Of the total amount of bonds authorized to be issued and
686 sold pursuant to Chapter 1 (commencing with Section 101000), bonds in
687 the amount of seven billion three hundred twenty-nine million dollars
688 (\$7,329,000,000) not including the amount of any refunding bonds issued
689 in accordance with Section 101030, or so much thereof as is necessary,
690 may be issued and sold to provide a fund to be used for carrying out the
691 purposes expressed in this chapter and to reimburse the General Obligation
692 Bond Expense Revolving Fund pursuant to Section 16724.5 of the
693 Government Code. The bonds, when sold, shall be and constitute a valid
694 and binding obligation of the State of California, and the full faith and
695 credit of the State of California is hereby pledged for the punctual payment
696 of the principal of, and interest on, the bonds as the principal and interest
697 become due and payable.
698 (b) Pursuant to this section, the Treasurer shall sell the bonds
699 authorized by the State School Building Finance Committee established
700 pursuant to Section 15909 at any different times necessary to service
701 expenditures required by the apportionments.
702 101021. The State School Building Finance Committee, established by
703 Section 15909 and composed of the Governor, the Controller, the
704 Treasurer, the Director of Finance, and the Superintendent, or their
705 designated representatives, all of whom shall serve thereon without
706 compensation, and a majority of whom shall constitute a quorum, is
707 continued in existence for the purpose of this chapter. The Treasurer shall
708 serve as chairperson of the committee. Two Members of the Senate
709 appointed by the Senate Committee on Rules, and two Members of the
710 Assembly appointed by the Speaker of the Assembly, shall meet with and
711 provide advice to the committee to the extent that the advisory

712 participation is not incompatible with their respective positions as
713 Members of the Legislature. For the purposes of this chapter, the Members
714 of the Legislature shall constitute an interim investigating committee on
715 the subject of this chapter and, as that committee, shall have the powers
716 granted to, and duties imposed upon, those committees by the Joint Rules
717 of the Senate and the Assembly. The Director of Finance shall provide
718 assistance to the committee as it may require. The Attorney General of the
719 state is the legal adviser of the committee.

720 101022. (a) The bonds authorized by this chapter shall be prepared,
721 executed, issued, sold, paid, and redeemed as provided in the State General
722 Obligation Bond Law (Chapter 4 (commencing with Section 16720) of
723 Part 3 of Division 4 of Title 2 of the Government Code), and all of the
724 provisions of that law, except Section 16727 of the Government Code to
725 the extent that it conflicts with this part, apply to the bonds and to this
726 chapter and are hereby incorporated into this chapter as though set forth in
727 full within this chapter.

728 (b) For purposes of the State General Obligation Bond Law, the State
729 Allocation Board is designated the “board” for purposes of administering
730 the 2006 State School Facilities Fund.

731 101023. (a) Upon request of the State Allocation Board, the State
732 School Building Finance Committee shall determine whether or not it is
733 necessary or desirable to issue bonds authorized pursuant to this chapter in
734 order to fund the apportionments and, if so, the amount of bonds to be
735 issued and sold. Successive issues of bonds may be authorized and sold to
736 fund those apportionments progressively, and it is not necessary that all of
737 the bonds authorized to be issued be sold at any one time.

738 (b) A request of the State Allocation Board pursuant to subdivision (a)
739 shall be supported by a statement of the apportionments made and to be
740 made for the purposes described in Sections 101011 and 101012.

741 101024. There shall be collected each year and in the same manner and
742 at the same time as other state revenue is collected, in addition to the
743 ordinary revenues of the state, a sum in an amount required to pay the
744 principal of, and interest on, the bonds each year. It is the duty of all
745 officers charged by law with any duty in regard to the collection of the
746 revenue to do and perform each and every act that is necessary to collect
747 that additional sum.

748 101025. Notwithstanding Section 13340 of the Government Code,
749 there is hereby appropriated from the General Fund in the State Treasury,
750 for the purposes of this chapter, an amount that will equal the total of the
751 following:

752 (a) The sum annually necessary to pay the principal of, and interest on,
753 bonds issued and sold pursuant to this chapter, as the principal and interest
754 become due and payable.

755 (b) The sum necessary to carry out Section 101028, appropriated
756 without regard to fiscal years.

757 101026. The State Allocation Board may request the Pooled Money
758 Investment Board to make a loan from the Pooled Money Investment

759 Account or any other approved form of interim financing, in accordance
760 with Section 16312 of the Government Code, for the purpose of carrying
761 out this chapter. The amount of the request shall not exceed the amount of
762 the unsold bonds that the committee, by resolution, has authorized to be
763 sold for the purpose of carrying out this chapter. The board shall execute
764 any documents required by the Pooled Money Investment Board to obtain
765 and repay the loan. Any amounts loaned shall be deposited in the fund to
766 be allocated by the board in accordance with this chapter.

767 101027. Notwithstanding any other provision of this chapter, or of the
768 State General Obligation Bond Law, if the Treasurer sells bonds pursuant
769 to this chapter that include a bond counsel opinion to the effect that the
770 interest on the bonds is excluded from gross income for federal tax
771 purposes, subject to designated conditions, the Treasurer may maintain
772 separate accounts for the investment of bond proceeds and for the
773 investment earnings on those proceeds. The Treasurer may use or direct
774 the use of those proceeds or earnings to pay any rebate, penalty, or other
775 payment required under federal law or take any other action with respect
776 to the investment and use of those bond proceeds required or desirable
777 under federal law to maintain the tax-exempt status of those bonds and to
778 obtain any other advantage under federal law on behalf of the funds of this
779 state.

780 101028. For the purposes of carrying out this chapter, the Director of
781 Finance may authorize the withdrawal from the General Fund of an
782 amount not to exceed the amount of the unsold bonds that have been
783 authorized by the State School Building Finance Committee to be sold for
784 the purpose of carrying out this chapter. Any amounts withdrawn shall be
785 deposited in the 2006 State School Facilities Fund consistent with this
786 chapter. Any money made available under this section shall be returned to
787 the General Fund, plus an amount equal to the interest that the money
788 would have earned in the Pooled Money Investment Account, from
789 proceeds received from the sale of bonds for the purpose of carrying out
790 this chapter.

791 101029. All money deposited in the 2006 State School Facilities Fund,
792 that is derived from premium and accrued interest on bonds sold shall be
793 reserved in the fund and shall be available for transfer to the General Fund
794 as a credit to expenditures for bond interest.

795 101030. The bonds may be refunded in accordance with Article 6
796 (commencing with Section 16780) of Chapter 4 of Part 3 of Division 4 of
797 Title 2 of the Government Code, which is a part of the State General
798 Obligation Bond Law. Approval by the voters of the state for the issuance
799 of the bonds described in this chapter includes the approval of the issuance
800 of any bonds issued to refund any bonds originally issued under this
801 chapter or any previously issued refunding bonds.

802 101031. The Legislature hereby finds and declares that, inasmuch as
803 the proceeds from the sale of bonds authorized by this chapter are not
804 “proceeds of taxes” as that term is used in Article XIII B of the California

805 Constitution, the disbursement of these proceeds is not subject to the
806 limitations imposed by that article.

807 Chapter 3. California Community College Facilities

808 Article 1. General

809 101032. (a) The 2006 California Community College Capital Outlay
810 Bond Fund is hereby established in the State Treasury for deposit of funds
811 from the proceeds of bonds issued and sold for the purposes of this
812 chapter.

813 (b) The Higher Education Facilities Finance Committee established
814 pursuant to Section 67353 is hereby authorized to create a debt or debts,
815 liability or liabilities, of the State of California pursuant to this chapter for
816 the purpose of providing funds to aid the California Community Colleges.

817 Article 2. California Community College Program Provisions

818 101033. (a) From the proceeds of bonds issued and sold pursuant to
819 Article 3 (commencing with Section 101034), the sum of one billion five
820 hundred seven million dollars (\$1,507,000,000) shall be deposited in the
821 2006 California Community College Capital Outlay Bond Fund for the
822 purposes of this article. When appropriated, these funds shall be available
823 for expenditure for the purposes of this article.

824 (b) The purposes of this article include assisting in meeting the capital
825 outlay financing needs of the California Community Colleges.

826 (c) Proceeds from the sale of bonds issued and sold for the purposes of
827 this article may be used to fund construction on existing campuses,
828 including the construction of buildings and the acquisition of related
829 fixtures, construction of facilities that may be used by more than one
830 segment of public higher education (intersegmental), the renovation and
831 reconstruction of facilities, site acquisition, the equipping of new,
832 renovated, or reconstructed facilities, which equipment shall have an
833 average useful life of 10 years; and to provide funds for the payment of
834 preconstruction costs, including, but not limited to, preliminary plans and
835 working drawings for facilities of the California Community Colleges.

836 Article 3. California Community College Fiscal Provisions

837 101034. (a) Of the total amount of bonds authorized to be issued and
838 sold pursuant to Chapter 1 (commencing with Section 101000), bonds in
839 the total amount of one billion five hundred seven million dollars
840 (\$1,507,000,000), not including the amount of any refunding bonds issued
841 in accordance with Section 101039, or so much thereof as is necessary,
842 may be issued and sold to provide a fund to be used for carrying out the
843 purposes expressed in this chapter and to reimburse the General Obligation

844 Bond Expense Revolving Fund pursuant to Section 16724.5 of the
845 Government Code. The bonds, when sold, shall be and constitute a valid
846 and binding obligation of the State of California, and the full faith and
847 credit of the State of California is hereby pledged for the punctual payment
848 of the principal of, and interest on, the bonds as the principal and interest
849 become due and payable.

850 (b) It is the intent of the Legislature that the California Community
851 Colleges annually consider, as part of their annual capital outlay planning
852 process, the inclusion of facilities that may be used by more than one
853 segment of public higher education (intersegmental), and, that on or before
854 May 15th of each year, those entities report their findings to the budget
855 committees of each house of the Legislature.

856 (c) Pursuant to this section, the Treasurer shall sell the bonds authorized
857 by the Higher Education Facilities Finance Committee established
858 pursuant to Section 67353 at any different times necessary to service
859 expenditures required by the apportionments.

860 101034.5. (a) The bonds authorized by this chapter shall be prepared,
861 executed, issued, sold, paid, and redeemed as provided in the State General
862 Obligation Bond Law (Chapter 4 (commencing with Section 16720) of
863 Part 3 of Division 4 of Title 2 of the Government Code), and all of the
864 provisions of that law, except Section 16727 of the Government Code to
865 the extent that it conflicts with this part, apply to the bonds and to this
866 chapter and are hereby incorporated into this chapter as though set forth in
867 full within this chapter.

868 (b) For the purposes of the State General Obligation Bond Law, each
869 state agency administering an appropriation of the 2006 Community
870 College Capital Outlay Bond Fund is designated as the "board" for
871 projects funded pursuant to this chapter.

872 (c) The proceeds of the bonds issued and sold pursuant to this chapter
873 shall be available for the purpose of funding aid to the California
874 Community Colleges for the construction on existing or new campuses,
875 and their respective off-campus centers and joint use and intersegmental
876 facilities, as set forth in this chapter.

877 101035. The Higher Education Facilities Finance Committee
878 established pursuant to Section 67353 shall authorize the issuance of
879 bonds under this chapter only to the extent necessary to fund the
880 apportionments for the purposes described in this chapter that are
881 expressly authorized by the Legislature in the annual Budget Act. Pursuant
882 to that legislative direction, the committee shall determine whether or not
883 it is necessary or desirable to issue bonds authorized pursuant to this
884 chapter in order to carry out the purposes described in this chapter and, if
885 so, the amount of bonds to be issued and sold. Successive issues of bonds
886 may be authorized and sold to carry out those actions progressively, and it
887 is not necessary that all of the bonds authorized to be issued be sold at any
888 one time.

889 101035.5. There shall be collected each year and in the same manner
890 and at the same time as other state revenue is collected, in addition to the

891 ordinary revenues of the state, a sum in an amount required to pay the
892 principal of, and interest on, the bonds each year. It is the duty of all
893 officers charged by law with any duty in regard to the collection of the
894 revenue to do and perform each and every act which is necessary to collect
895 that additional sum.

896 101036. Notwithstanding Section 13340 of the Government Code,
897 there is hereby appropriated from the General Fund in the State Treasury,
898 for the purposes of this chapter, an amount that will equal the total of the
899 following:

900 (a) The sum annually necessary to pay the principal of, and interest on,
901 bonds issued and sold pursuant to this chapter, as the principal and interest
902 become due and payable.

903 (b) The sum necessary to carry out Section 101037.5, appropriated
904 without regard to fiscal years.

905 101036.5. The board, as defined in subdivision (b) of Section
906 101034.5, may request the Pooled Money Investment Board to make a
907 loan from the Pooled Money Investment Account or any other approved
908 form of interim financing, in accordance with Section 16312 of the
909 Government Code, for the purpose of carrying out this chapter. The
910 amount of the request shall not exceed the amount of the unsold bonds that
911 the committee, by resolution, has authorized to be sold for the purpose of
912 carrying out this chapter. The board, as defined in subdivision (b) of
913 Section 101034.5, shall execute any documents required by the Pooled
914 Money Investment Board to obtain and repay the loan. Any amounts
915 loaned shall be deposited in the fund to be allocated by the board in
916 accordance with this chapter.

917 101037. Notwithstanding any other provision of this chapter, or of the
918 State General Obligation Bond Law, if the Treasurer sells bonds pursuant
919 to this chapter that include a bond counsel opinion to the effect that the
920 interest on the bonds is excluded from gross income for federal tax
921 purposes, subject to designated conditions, the Treasurer may maintain
922 separate accounts for the investment of bond proceeds and for the
923 investment earnings on those proceeds. The Treasurer may use or direct
924 the use of those proceeds or earnings to pay any rebate, penalty, or other
925 payment required under federal law or take any other action with respect
926 to the investment and use of those bond proceeds required or desirable
927 under federal law to maintain the tax-exempt status of those bonds and to
928 obtain any other advantage under federal law on behalf of the funds of this
929 state.

930 101037.5. (a) For the purposes of carrying out this chapter, the
931 Director of Finance may authorize the withdrawal from the General Fund
932 of an amount not to exceed the amount of the unsold bonds that have been
933 authorized by the Higher Education Facilities Finance Committee to be
934 sold for the purpose of carrying out this chapter. Any amounts withdrawn
935 shall be deposited in the 2006 California Community College Capital
936 Outlay Bond Fund consistent with this chapter. Any money made available
937 under this section shall be returned to the General Fund, plus an amount

938 equal to the interest that the money would have earned in the Pooled
939 Money Investment Account, from proceeds received from the sale of
940 bonds for the purpose of carrying out this chapter.

941 (b) Any request forwarded to the Legislature and the Department of
942 Finance for funds from this bond issue for expenditure for the purposes
943 described in this chapter by the California Community Colleges shall be
944 accompanied by the five-year capital outlay plan that reflects the needs
945 and priorities of the community college system and is prioritized on a
946 statewide basis. Requests shall include a schedule that prioritizes the
947 seismic retrofitting needed to significantly reduce, in the judgment of the
948 particular college, seismic hazards in buildings identified as high priority
949 by the college.

950 101038. All money deposited in the 2006 California Community
951 College Capital Outlay Bond Fund that is derived from premium and
952 accrued interest on bonds sold shall be reserved in the fund and shall be
953 available for transfer to the General Fund as a credit to expenditures for
954 bond interest.

955 101039. The bonds may be refunded in accordance with Article 6
956 (commencing with Section 16780) of Chapter 4 of Part 3 of Division 4 of
957 Title 2 of the Government Code, which is a part of the State General
958 Obligation Bond Law. Approval by the voters of the state for the issuance
959 of the bonds described in this chapter includes the approval of the issuance
960 of any bonds issued to refund any bonds originally issued under this
961 chapter or any previously issued refunding bonds.

962 101039.5. The Legislature hereby finds and declares that, inasmuch as
963 the proceeds from the sale of bonds authorized by this chapter are not
964 "proceeds of taxes" as that term is used in Article XIII B of the California
965 Constitution, the disbursement of these proceeds is not subject to the
966 limitations imposed by that article.

967 Chapter 4. University Facilities

968 Article 1. General

969 101040. (a) The system of public universities in this state includes the
970 University of California, the Hastings College of the Law, and the
971 California State University, and their respective off-campus centers.

972 (b) The 2006 University Capital Outlay Bond Fund is hereby
973 established in the State Treasury for deposit of funds from the proceeds of
974 bonds issued and sold for the purposes of this chapter.

975 (c) The Higher Education Facilities Finance Committee established
976 pursuant to Section 67353 is hereby authorized to create a debt or debts,
977 liability or liabilities, of the State of California pursuant to this chapter for
978 the purpose of providing funds to aid the University of California, the
979 Hastings College of the Law, and the California State University.

980 Article 2. Program Provisions Applicable to the University of
981 California and the Hastings College of the Law

982 101041. (a) From the proceeds of bonds issued and sold pursuant to
983 Article 4 (commencing with Section 101050), the sum of eight hundred
984 ninety million dollars (\$890,000,000) shall be deposited in the 2006
985 University Capital Outlay Bond Fund for the purposes of this article.
986 When appropriated, these funds shall be available for expenditure for the
987 purposes of this article.

988 (b) The purposes of this article include assisting in meeting the capital
989 outlay financing needs of the University of California and the Hastings
990 College of the Law.

991 (c) Of the amount made available under subdivision (a), the amount of
992 two hundred million dollars (\$200,000,000) shall be used for capital
993 improvements that expand and enhance medical education programs with
994 an emphasis on telemedicine aimed at developing high-tech approaches to
995 health care.

996 (d) Proceeds from the sale of bonds issued and sold for the purposes of
997 this article may be used to fund construction on existing campuses,
998 including the construction of buildings and the acquisition of related
999 fixtures, construction of facilities that may be used by more than one
1000 segment of public higher education (intersegmental), the renovation and
1001 reconstruction of facilities, site acquisition, the equipping of new,
1002 renovated, or reconstructed facilities, which equipment shall have an
1003 average useful life of 10 years; and to provide funds for the payment of
1004 preconstruction costs, including, but not limited to, preliminary plans and
1005 working drawings for facilities of the University of California and the
1006 Hastings College of the Law.

1007 Article 3. Program Provisions Applicable to the California State
1008 University

1009 101042. (a) From the proceeds of bonds issued and sold pursuant to
1010 Article 4 (commencing with Section 101050), the sum of six hundred
1011 ninety million dollars (\$690,000,000) shall be deposited in the 2006
1012 University Capital Outlay Bond Fund for the purposes of this article.
1013 When appropriated, these funds shall be available for expenditure for the
1014 purposes of this article.

1015 (b) The purposes of this article include assisting in meeting the capital
1016 outlay financing needs of the California State University.

1017 (c) Proceeds from the sale of bonds issued and sold for the purposes of
1018 this article may be used to fund construction on existing campuses,
1019 including the construction of buildings and the acquisition of related
1020 fixtures, construction of facilities that may be used by more than one
1021 segment of public higher education (intersegmental), the renovation and
1022 reconstruction of facilities, site acquisition, the equipping of new,

1023 renovated, or reconstructed facilities, which equipment shall have an
1024 average useful life of 10 years; and to provide funds for the payment of
1025 preconstruction costs, including, but not limited to, preliminary plans and
1026 working drawings for facilities of the California State University.

1027 Article 4. University Fiscal Provisions

1028 101050. (a) Of the total amount of bonds authorized to be issued and
1029 sold pursuant to Chapter 1 (commencing with Section 101000), bonds in
1030 the amount of one billion five hundred eighty million dollars
1031 (\$1,580,000,000), not including the amount of any refunding bonds issued
1032 in accordance with Section 101059, or so much thereof as is necessary,
1033 may be issued and sold to provide a fund to be used for carrying out the
1034 purposes expressed in this chapter and to reimburse the General Obligation
1035 Bond Expense Revolving Fund pursuant to Section 16724.5 of the
1036 Government Code. The bonds, when sold, shall be and constitute a valid
1037 and binding obligation of the State of California, and the full faith and
1038 credit of the State of California is hereby pledged for the punctual payment
1039 of the principal of, and interest on, the bonds as the principal and interest
1040 become due and payable.

1041 (b) It is the intent of the Legislature that the University of California
1042 and the California State University annually consider, as part of their
1043 annual capital outlay planning process, the inclusion of facilities that may
1044 be used by more than one segment of public higher education
1045 (intersegmental), and, that on or before May 15th of each year, those
1046 entities report their findings to the budget committees of each house of the
1047 Legislature.

1048 (c) Pursuant to this section, the Treasurer shall sell the bonds authorized
1049 by the Higher Education Facilities Finance Committee established
1050 pursuant to Section 67353 at any different times necessary to service
1051 expenditures required by the apportionments.

1052 101051. (a) The bonds authorized by this chapter shall be prepared,
1053 executed, issued, sold, paid, and redeemed as provided in the State General
1054 Obligation Bond Law (Chapter 4 (commencing with Section 16720) of
1055 Part 3 of Division 4 of Title 2 of the Government Code), and all of the
1056 provisions of that law, except Section 16727 of the Government Code to
1057 the extent that it conflicts with this part, apply to the bonds and to this
1058 chapter and are hereby incorporated into this chapter as though set forth in
1059 full within this chapter.

1060 (b) For the purposes of the State General Obligation Bond Law, each
1061 state agency administering an appropriation of the 2006 University Capital
1062 Outlay Bond Fund is designated as the "board" for projects funded
1063 pursuant to this chapter.

1064 (c) The proceeds of the bonds issued and sold pursuant to this chapter
1065 shall be available for the purpose of funding aid to the University of
1066 California, the Hastings College of the Law, and the California State

1067 University, for the construction on existing or new campuses, and their
1068 respective off-campus centers and joint use and intersegmental facilities,
1069 as set forth in this chapter.

1070 101052. The Higher Education Facilities Finance Committee
1071 established pursuant to Section 67353 shall authorize the issuance of
1072 bonds under this chapter only to the extent necessary to fund the
1073 apportionments for the purposes described in this chapter that are
1074 expressly authorized by the Legislature in the annual Budget Act. Pursuant
1075 to that legislative direction, the committee shall determine whether or not
1076 it is necessary or desirable to issue bonds authorized pursuant to this
1077 chapter in order to carry out the purposes described in this chapter and, if
1078 so, the amount of bonds to be issued and sold. Successive issues of bonds
1079 may be authorized and sold to carry out those actions progressively, and it
1080 is not necessary that all of the bonds authorized to be issued be sold at any
1081 one time.

1082 101053. There shall be collected each year and in the same manner and
1083 at the same time as other state revenue is collected, in addition to the
1084 ordinary revenues of the state, a sum in an amount required to pay the
1085 principal of, and interest on, the bonds each year. It is the duty of all
1086 officers charged by law with any duty in regard to the collection of the
1087 revenue to do and perform each and every act which is necessary to collect
1088 that additional sum.

1089 101054. Notwithstanding Section 13340 of the Government Code,
1090 there is hereby appropriated from the General Fund in the State Treasury,
1091 for the purposes of this chapter, an amount that will equal the total of the
1092 following:

1093 (a) The sum annually necessary to pay the principal of, and interest on,
1094 bonds issued and sold pursuant to this chapter, as the principal and interest
1095 become due and payable.

1096 (b) The sum necessary to carry out Section 101057, appropriated
1097 without regard to fiscal years.

1098 101055. The board, as defined in subdivision (b) of Section 101051,
1099 may request the Pooled Money Investment Board to make a loan from the
1100 Pooled Money Investment Account or any other approved form of interim
1101 financing, in accordance with Section 16312 of the Government Code, for
1102 the purpose of carrying out this chapter. The amount of the request shall
1103 not exceed the amount of the unsold bonds that the committee, by
1104 resolution, has authorized to be sold for the purpose of carrying out this
1105 chapter. The board, as defined in subdivision (b) of Section 101051, shall
1106 execute any documents required by the Pooled Money Investment Board
1107 to obtain and repay the loan. Any amounts loaned shall be deposited in the
1108 fund to be allocated by the board in accordance with this chapter.

1109 101056. Notwithstanding any other provision of this chapter, or of the
1110 State General Obligation Bond Law, if the Treasurer sells bonds pursuant
1111 to this chapter that include a bond counsel opinion to the effect that the
1112 interest on the bonds is excluded from gross income for federal tax
1113 purposes, subject to designated conditions, the Treasurer may maintain

1114 separate accounts for the investment of bond proceeds and for the
1115 investment earnings on those proceeds. The Treasurer may use or direct
1116 the use of those proceeds or earnings to pay any rebate, penalty, or other
1117 payment required under federal law or take any other action with respect
1118 to the investment and use of those bond proceeds required or desirable
1119 under federal law to maintain the tax-exempt status of those bonds and to
1120 obtain any other advantage under federal law on behalf of the funds of this
1121 state.

1122 101057. (a) For the purposes of carrying out this chapter, the Director
1123 of Finance may authorize the withdrawal from the General Fund of an
1124 amount not to exceed the amount of the unsold bonds that have been
1125 authorized by the Higher Education Facilities Finance Committee to be
1126 sold for the purpose of carrying out this chapter. Any amounts withdrawn
1127 shall be deposited in the 2006 University Capital Outlay Bond Fund
1128 consistent with this chapter. Any money made available under this section
1129 shall be returned to the General Fund, plus an amount equal to the interest
1130 that the money would have earned in the Pooled Money Investment
1131 Account, from proceeds received from the sale of bonds for the purpose of
1132 carrying out this chapter.

1133 (b) Any request forwarded to the Legislature and the Department of
1134 Finance for funds from this bond issue for expenditure for the purposes
1135 described in this chapter by the University of California, the Hastings
1136 College of the Law, or the California State University shall be
1137 accompanied by the five-year capital outlay plan. Requests forwarded by a
1138 university or college shall include a schedule that prioritizes the seismic
1139 retrofitting needed to significantly reduce, in the judgment of the particular
1140 university or college, seismic hazards in buildings identified as high
1141 priority by the university or college.

1142 101058. All money deposited in the 2006 University Capital Outlay
1143 Bond Fund that is derived from premium and accrued interest on bonds
1144 sold shall be reserved in the fund and shall be available for transfer to the
1145 General Fund as a credit to expenditures for bond interest.

1146 101059. The bonds may be refunded in accordance with Article 6
1147 (commencing with Section 16780) of Chapter 4 of Part 3 of Division 4 of
1148 Title 2 of the Government Code, which is a part of the State General
1149 Obligation Bond Law. Approval by the voters of the state for the issuance
1150 of the bonds described in this chapter includes the approval of the issuance
1151 of any bonds issued to refund any bonds originally issued under this
1152 chapter or any previously issued refunding bonds.

1153 101060. The Legislature hereby finds and declares that, inasmuch as
1154 the proceeds from the sale of bonds authorized by this chapter are not
1155 “proceeds of taxes” as that term is used in Article XIII B of the California
1156 Constitution, the disbursement of these proceeds is not subject to the
1157 limitations imposed by that article.

1158 SEC. 17. Section 65997 of the Government Code is amended to read:
1159 65997. (a) The following provisions shall be the exclusive methods of
1160 mitigating environmental effects related to the adequacy of school

1161 facilities when considering the approval or the establishment of conditions
1162 for the approval of a development project, as defined in Section 17620 of
1163 the Education Code, pursuant to Division 13 (commencing with Section
1164 21000) of the Public Resources Code:

1165 (1) Chapter 12 (commencing with Section 17000) of, or Chapter 12.5
1166 (commencing with Section 17070.10) of, Part 10 of the Education Code.
1167 (2) Chapter 14 (commencing with Section 17085) of Part 10 of the
1168 Education Code.
1169 (3) Chapter 18 (commencing with Section 17170) of Part 10 of the
1170 Education Code.
1171 (4) Article 2.5 (commencing with Section 17430) of Chapter 4 of Part
1172 10.5 of the Education Code.
1173 (5) Section 17620 of the Education Code.
1174 (6) Chapter 2.5 (commencing with Section 53311) of Division 2 of
1175 Title 5.
1176 (7) Chapter 4.7 (commencing with Section 65970) of Division 1 of
1177 Title 7.

1178 (b) A public agency may not, pursuant to Division 13 (commencing
1179 with Section 21000) of the Public Resources Code or Division 2
1180 (commencing with Section 66410) of this code, deny approval of a project
1181 on the basis of the adequacy of school facilities.

1182 (c) (1) This section shall become operative on or after any statewide
1183 election in 2012, if a statewide general obligation bond measure submitted
1184 for voter approval in 2012 or thereafter that includes bond issuance
1185 authority to fund construction of kindergarten and grades 1 to 12,
1186 inclusive, public school facilities is submitted to the voters and fails to be
1187 approved.

1188 (2) (A) This section shall become inoperative if subsequent to the
1189 failure of a general obligation bond measure described in paragraph (1) a
1190 statewide general bond measure as described in paragraph (1) is approved
1191 by the voters.

1192 (B) Thereafter, this section shall become operative if a statewide
1193 general obligation bond measure submitted for voter approval that includes
1194 bond issuance authority to fund construction of kindergarten and grades 1
1195 to 12, inclusive, public school facilities is submitted to the voters and fails
1196 to be approved and shall become inoperative if subsequent to the failure of
1197 the general obligation bond measure a statewide bond measure as
1198 described in this subparagraph is approved by the voters.

1199 (d) Notwithstanding any other provision of law, a public agency may
1200 deny or refuse to approve a legislative act involving, but not limited to, the
1201 planning, use, or development of real property, on the basis that school
1202 facilities are inadequate, except that a public agency may not require the
1203 payment or satisfaction of a fee, charge, dedication, or other financial
1204 requirement in excess of that levied or imposed pursuant to Section 65995
1205 and, if applicable, any amounts specified in Sections 65995.5 or 65995.7.
1206 SEC. 18. Section 4 of Chapter 421 of the Statutes of 2001 is amended
1207 to read:

1208 Sec. 4. This act shall remain in effect only until January 1, 2010, and as
1209 of that date is repealed, unless a later enacted statute, that is enacted before
1210 January 1, 2010, deletes or extends that date.

1211 SEC. 19. Section 4 of Chapter 637 of the Statutes of 2002 is amended
1212 to read:

1213 Sec. 4. This act shall remain in effect only until January 1, 2011, and as
1214 of that date is repealed, unless a later enacted statute, that is enacted before
1215 January 1, 2011, deletes or extends that date.

1216 SEC. 20. (a) Up to twenty-one million dollars (\$21,000,000) of any
1217 funds that are required to be made available for rehabilitation or
1218 construction of joint-use facilities for public schools and that result or are
1219 derived from the sale of bonds issued on or before January 1, 2006, shall
1220 be transferred to the State Allocation Board and may be apportioned by
1221 that board for the purposes of Article 10.6 (commencing with Section
1222 17077.40) of Chapter 12.5 of Part 10 of the Education Code.

1223 (b) Any funds remaining after the transfer required under subdivision
1224 (a) that conform to the description set forth in that subdivision shall be
1225 transferred to the State Allocation Board and may be apportioned by that
1226 board for any of the purposes of Chapter 12.5 (commencing with Section
1227 17070.10) of Part 10 of the Education Code.

1228 SEC. 21. The Secretary of State shall submit Sections 16 and 20 of this
1229 act to the voters at the November 7, 2006, statewide general election.

1230 SEC. 22. Notwithstanding any other provision of law, with respect to
1231 the Kindergarten-University Public Education Facilities Bond Act of 2006,
1232 as set forth in Section 16 of this act, all ballots of the November 7, 2006,
1233 statewide general election shall have printed thereon and in a square
1234 thereof, exclusively the words: "Kindergarten-University Public Education
1235 Facilities Bond Act of 2006" and in the same square under those words,
1236 the following in 8-point type:

1237 "This ten billion four hundred sixteen million dollar (\$10,416,000,000)
1238 bond issue will provide needed funding to relieve public school
1239 overcrowding and to repair older schools. It will improve earthquake
1240 safety and fund vocational educational facilities in public schools. Bond
1241 funds must be spent according to strict accountability measures. Funds will
1242 also be used to repair and upgrade existing public college and university
1243 buildings and to build new classrooms to accommodate the growing
1244 student enrollment in the California Community Colleges, the University
1245 of California, and the California State University."

1246 Opposite the square, there shall be left spaces in which the voters may
1247 place a cross in the manner required by law to indicate whether they vote
1248 for or against the act.

1249 SEC. 23. Notwithstanding Sections 13247 and 13281 of the Elections
1250 Code, the language in Section 22 shall be the only language included in
1251 the ballot label for the condensed statement of the ballot title, and the
1252 Attorney General shall not supplement, subtract from, or revise that
1253 language, except that the Attorney General may include the financial
1254 impact summary prepared pursuant to Section 9087 of the Elections Code

1255 and Section 88003 of the Government Code. The ballot label is the
1256 condensed statement of the ballot title and the financial impact summary.
1257 SEC. 24. The provisions of this act are severable. If any provision of
1258 this act or its application is held invalid, that invalidity shall not affect
1259 other provisions or applications that can be given effect without the invalid
1260 provision or application.
1261 SEC. 25. Sections 1 to 15, inclusive, and Sections 18 and 19 of this act
1262 shall become operative only if the voters approve the
1263 Kindergarten-University Public Education Facilities Bond Act of 2006, as
1264 set forth in Section 16 of this act.
1265 SEC. 26. This act is an urgency statute necessary for the immediate
1266 preservation of the public peace, health, or safety within the meaning of
1267 Article IV of the Constitution and shall go into immediate effect. The facts
1268 constituting the necessity are:
1269 In order to ensure, at the earliest possible time, that the electorate is
1270 provided with the opportunity to vote on the financing of necessary
1271 educational facilities at the November 7, 2006, statewide general election,
1272 including related statutory changes, it is necessary that this act take effect
1273 immediately.