

**STATE ALLOCATION BOARD**

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**Date:** September 22, 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, October 6, 2006 from 9:30 a.m. to 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 Facilities Program  
Overcrowding Relief Grant  
Seismic Mitigation

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 Ernest Valentine at (916) 445-3159.

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

LORI L. MORGAN, Deputy Executive Officer  
State Allocation Board

LLM:ev

STATE ALLOCATION BOARD  
IMPLEMENTATION COMMITTEE MEETING  
October 6, 2006

IMPLEMENTATION OF THE  
OVERCROWDING RELIEF GRANT

PURPOSE

To discuss the implementation and development of the Overcrowding Relief Grant (ORG).

BACKGROUND

Assembly Bill (AB) 127 (Chapter 35, Statutes of 2006 - Nunez and Perata), establishes a new grant that enables districts to reduce the number of portable\* classrooms on overcrowded school sites and replace them with permanent classrooms. AB 127 provides \$1 billion for eligible schools. The grant program is contained in Education Code (EC) Sections 17079 through 17079.30 (see Attachment A for full text). The following discussion item refers to the major components of the ORG.

DISCUSSION

**1. Eligible Schools**

In order to participate in the ORG, districts must have school sites deemed eligible by the California Department of Education (CDE) based on population density utilizing the 2005/06 California Basic Educational Data Systems (CBEDS). The school site must have a pupil population density equal to or greater than 175 percent of CDE's recommended population density. Additionally, population density will be reduced when applicable to account for multistory construction and approved new construction projects, including approved apportionments for the Critically Overcrowded School (COS) Facilities Program.

The approved new construction apportionments to be reduced from the density calculation will include projects located a certain distance from the ORG eligible school (one mile for elementary schools and three miles for middle or high schools). This is based on the criteria used to determine eligibility for the COS Program. OPSC recognizes that not all the new construction projects will address overcrowding relief; therefore districts will have the opportunity to submit a master plan or other data, such as demographic or attendance information, to reduce or eliminate the new construction adjustment. This information will be required to be submitted to the OPSC first, as the review of the submitted information will take place prior to the CDE's determination of the school site density. The OPSC will then provide its review to the CDE. Districts will have the opportunity to process their site eligibility on a rolling basis.

\*The definition of a portable pursuant to EC Section 17070.15 (k) is a classroom building of one or more stories that is designed and constructed to be relocatable and transportable over public streets, and with respect to a single story portable classroom, is designed and constructed for relocation without the separation of the roof or the floor from the building and when measured at the most exterior walls, has a floor area not in excess of 2,000 square feet.

The approved COS apportionments to be reduced from the density calculation will include qualifying pupils currently housed at the ORG eligible school which will be relocated to a COS project.

*California Department of Education Proposed Calculation*

CDE Recommended Pupil Density per Acre

The CDE recommends using half of the density standards established in the COS program as the basis for calculations in the ORG. The COS density factors represent 200% of the CDE recommended density so using half of the number will represent 100% of the CDE recommended factor.

The table below shows the CDE recommended student density per acre at various percentages:

Grade Span	100%	150%	175%	200% (COS)
K-6	57	85	100	115
7-12	43	65	75	90

Consistent with COS, if a school has students in both grade spans, the calculation is made based upon the grade span in which the majority of the students are enrolled.

As an alternative, districts may request that their site density be calculated according to the CDE's *Guide to School Site Analysis and Development*.

Adjustments to use in density calculation

EC Section 17079 requires two adjustments be made in determining a school's student population density:

- (1) Students from the school to be housed in new construction projects, and
- (2) Students housed in classrooms above the first floor.

New Construction Adjustment

Students to be housed in new construction projects (as defined above) are subtracted from the 2005 CBEDS enrollment to arrive at an "Adjusted CBEDS Enrollment"

Multi-Level Adjustment

Consistent with CDE policy, multi-level classrooms are used to increase the net usable acres of a school site based on the following formula:

$$\text{Number of Classrooms above the First Floor} \times 960 \times 1.3 \div 43560 = \text{"Multi Story Adjustment"}$$

Standard classrooms are 960 square feet and the 1.3 factor represents circulation that occurs on multi-level buildings.

The additional acres resulting from the calculation are added to the certified net usable acres reported by the district to establish "Total Usable Acres."

Eligibility

The “Adjusted CBEDS Enrollment” is divided by the “Total Usable Acres” to determine the school’s student population density. The calculated density is compared to the 175% recommended density figure to determine if the school is eligible for funding in the ORG.

150% Determination

The “Total Usable Acres” are multiplied by the 150% factor for the appropriate grade span. The result is subtracted from the Adjusted CBEDS Enrollment” to determine the number of grants for which the district may be eligible.

**2. Eligible Pupils**

Each district will have a districtwide (or High School Attendance Area/Super High School Attendance Area) eligibility bank which can be utilized at any eligible school. The districtwide eligibility will be determined by the number of portables that were included in the initial new construction baseline determination, less the number of Class Size Reduction (CSR) Program portables, multiplied by the applicable State loading standard, i.e. K-6: 25, 7-12: 27, non-severe: 13, and severe: 9. Districts may establish eligibility prior to or concurrently with the submittal of a funding application. A separate eligibility form will be developed for this purpose.

In order to determine the number of portables used for the CSR Program, districts will provide the total number of portables for the district on an eligibility form by self-certification.

The following provides an example of the districtwide eligibility determination.

**Step 1. Begin with the portables counted in the initial baseline determination, utilizing the district’s *Existing School Building Capacity (Form SAB 50-02)* option A or B.** In this example the district chose Option B. To determine the number of portables counted in the initial baseline for Option B, subtract Part I Line 7 from Part I Line 8, then subtract the number of excluded portables from Part II Option B Line d.

PART I - Classroom Inventory	NEW	ADJUSTED	K-6	7-8	9-12	Non-Severe	Severe	Total
Line 1. Leased State Relocatable Classrooms								
Line 2. Portable Classrooms leased less than 5 years			6	6				12
Line 3. Interim Housing Portables leased less than 5 years								
Line 4. Interim Housing Portables leased at least 5 years			4	5	2			11
Line 5. Portable Classrooms leased at least 5 years				2	1			3
Line 6. Portable Classrooms owned by district			80	16		2		98
Line 7. Permanent Classrooms			84	74	32	5		195
Line 8. Total (Lines 1 through 7)			174	103	35	7		319

**PART II - Available Classrooms**

Option A.	K-6	7-8	9-12	Non-Severe	Severe	Total
a. Part I, line 4	4	5	2			11
b. Part I, line 5		2	1			3
c. Part I, line 6	80	16		2		98
d. Part I, line 7	84	74	32	5		195
e. Total (a, b, c, & d)	168	97	35	7		307

Option B.	K-6	7-8	9-12	Non-Severe	Severe	Total
a. Part I, line 8	174	103	35	7		319
b. Part I, lines 1,2,5 and 6 (total only)						113
c. 25 percent of Part I, line 7 (total only)						49
d. Subtract c from b (enter 0 if negative)	48	14	1	1		64
e. Total (a minus d)	126	89	34	6		255

If the district had chosen Option A, the number of portables counted in the initial baseline would be the sum of line a, b, and c ( $11 + 3 + 98 = 112$  total portables).

**Step 1 Continued: Number of Portables Counted in the Initial Baseline**

	K-6	7-8	9-12	Non-severe	Severe	Total
Part I Line 8	174	103	35	7	0	319
Subtract Part I Line 7	-84	-74	-32	-5	-0	-195
Subtract Part II Option B Line d	-48	-14	-1	-1	-0	-64
Total	42	15	2	1	0	60

**Step 2. Subtract the reported number of CSR portables from the number of K-6 portables as determined in Step 1 above. In this example 10 portables were reported.**

$$42 - 10 = 32 \text{ K-6 portables}$$

**Step 3. The remaining number of portables are used in the eligibility determination. Multiply those by the State loading standard.**

Districtwide Eligibility Determination					
	K-6	7-8	9-12	Non-severe	Severe
Number of Portables	42	15	2	1	0
Multiply by the State Loading Standard	25	27	27	13	9
<b>Total Pupil Grant Eligibility</b>	<b>1,050</b>	<b>405</b>	<b>54</b>	<b>13</b>	<b>0</b>

The eligibility determination will be a one-time determination and will only be adjusted (reduced) as pupil grants are requested for funding.

Although there is a districtwide eligibility bank, each eligible school site will be limited to the number of pupil grants it can request pursuant to EC Section 17079.10 (b) (1) and 17079.20 (a) and (c). The lesser of the following will determine the number of eligible pupil grants for each school site:

- I. The number of grants apportioned cannot exceed the number of pupils whose removal from the density calculation would reduce the density of the site to 150 percent of the CDE recommended population density. Legal counsel reviewed the language regarding this limitation, and opined that this does not preclude districts from reducing the site density further – it simply maximizes the number of pupil grants that can be apportioned for each school site. The maximum number of pupils for each eligible school (based on this criteria) will be determined by CDE.

-or-

- II. The pupil grant request is also limited to the capacity of the project. Districts must build a number of permanent classrooms equivalent to the number of portable classrooms it will be replacing. Therefore, districts may only request pupil grants up to the capacity of the number of portables being replaced.

For example, if the district is replacing 10 (K-6) portables at School A, they may request up to 250 K-6 pupil grants [10 x 25 (State loading standard) = 250], as long as it does not go beyond the number of grants as described in I above.

### **3. Funding**

Eligible pupils will be funded based on the current new construction per-pupil grant amounts at the time of apportionment of the application. In addition, projects funded under this program must meet the same provisions of the School Facility Program (SFP), except for the requirement that the district reduce its new construction eligibility for the classrooms provided. Districts will have the same submittal requirements (i.e. Division of State Architect approved plans and specifications, CDE plan approval, etc).

Districts will be required to return any savings that are realized at the conclusion of the project.

The program requires that the funding be used toward a reduction in the number of portable classrooms in the district. The program does not allow for funding associated with the construction, acquisition or transportation of portable classrooms. Districts may opt to utilize the portables that are being replaced for non-K-12 classroom use (i.e. childcare, preschool, administration, adult education, storage, etc.), as long as those portables are placed at sites that are not overcrowded.

There is an additional requirement for funding associated with the program. In order to receive funding, districts must certify that they will remove the portable classrooms from the eligible school, and will remove those portables from service within six months of occupancy, unless they are used in the manner indicated above. Districts will be required to state how they have complied with this requirement on the *Expenditure Report* (Form SAB 50-06).

#### *Site Acquisition*

Staff and legal counsel have explored the possibility of funding site acquisition through the ORG. It appears that site acquisition is allowable and is conducive to maximizing relief at these overcrowded sites. Therefore, districts will be allowed to purchase acreage that is appropriate for the number of pupils being diverted from the overcrowded site. Districts will have the option of linking the acreage acquired through the ORG to an SFP project to maximize the overcrowding relief.

#### *Funding Cycles*

Staff explored the possibility of establishing a reservation of funds for each funding cycle, and conferred with legal counsel. Legal counsel advised that the reservation of funds would be appropriate, as it would spread the funds over a period of time and provide for overcrowding relief at the sites with the highest densities. Project applications will be funded based on highest density, with two filing periods per year, for a total of four funding cycles. The first three funding cycles will allow for up to \$200 million in funding with any remaining funds from each cycle being rolled over into the next funding cycle. The final funding cycle will allow for \$400 million, as well as any remaining funds that were not allocated during the previous funding cycles. This reservation of the funds will be implemented for the following reasons:

- It will likely take time for districts to acquire sites,
- Districts will need time to plan their projects, as this is a new program,
- Local bonds may not allow for portable replacement without additional capacity, so Districts will have an opportunity to attempt local bonds or acquire other sources of funding for their matching funds.

#### **4. Processing**

Districts will request funding under the ORG by submitting a complete new construction package, which will include a Form SAB 50-04. On the Form SAB 50-04, there will be a section wherein districts will provide a narrative indicating how the project is relieving

overcrowding at the school site. Site visits will be conducted by Office of Public School Construction to verify information reported by the districts.

Projects will require the typical processing period. It is anticipated that districts will need to submit their complete applications approximately 120 days prior to apportionment in order to allow an adequate amount of time to for the OPSC and CDE to review the eligibility and funding applications. Funds will be apportioned each January and July, with the first apportionment to occur in January of 2008.

During the processing of the ORG applications, site modernization eligibility will be reduced to account for the replaced facilities.

#### RECOMMENDATION

Prepare regulatory language to be presented at a future Implementation Committee meeting including all of the proposals presented in this item.

STATE ALLOCATION BOARD  
IMPLEMENTATION COMMITTEE  
October 6, 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.

Staff introduced the CTEFP at the August 18, 2006 meeting of the Implementation Committee to obtain feedback on the program components. The initial presentation focused largely on the facility aspect of the CTEFP, whereas the current item includes a detailed discussion of the educational component of the program. This presentation also addresses several issues raised at the last meeting and provides several proposed CTEFP revisions.

AUTHORITY

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

DISCUSSION

*Application Guidelines*

The first step of the CTEFP will be to submit an application to the California Department of Education (CDE) (Attachment B) that details the applicant's Career Technical Education (CTE) plan. The CDE will review each application as described in the Attachment. Upon approval, the CDE will present an overall score to the Office of Public School Construction (OPSC). The score will be used, in part, to establish funding priority within the program.

Staff from CDE will be discussing the draft application guidelines.

*Design Funding and Preliminary Apportionment*

Members of the Implementation Committee and audience were concerned about expending funds on the design of plans without any reassurance that the CTE funds would be available at the time they submit their funding application. Staff was requested to evaluate the possibility of providing design funding.

Therefore, Staff proposes the following:

- Once an applicant's education plan has been reviewed and scored by the CDE, the applicant will be able to submit a design funding request to the OPSC. Upon approval of the application by the State Allocation Board, ten percent of the State's share will be released to the applicant. The remaining funds will be reserved for the applicant's full funding application.

- The applicant has 18 months from the time of design funding release to submit their funding application for final approval.
- If the applicant has not submitted their full funding application within 18 months of design funding release, the reserved funds will be returned to the CTEFP fund. The design funds will be reduced to costs incurred, of which the district will be responsible for 50 percent.

Examples of the design apportionment are presented in Attachment C.

### *Funding Priority*

Two funding cycles per year are planned for the CTEFP. Funding priority within each CTEFP funding cycle will be determined by the adequacy of the applicant's CTE plan and the project priorities of each applicant.

The review of the CTE plan by CDE will result in a score for each plan. If an applicant submits multiple projects within a funding cycle, the applicant must indicate the priority of the projects. The applicant's priority of the project determines which round the project will be funded in; lower priority projects will be funded after all higher priority projects have been funded. Equitable distribution of the funding will be ensured by using the eleven Service Regions of California County Superintendents Educational Services Association (included in Attachment B).

The funding sequence follows:

- The first-priority project with the highest CTE plan score within each region will be given first consideration.
- Regional order will be determined by the highest overall score, followed by next highest CTE plan score in a *different* Region, until all regions used.
- After the highest-scored, first-priority projects are funded in each Region, the first-priority project with the next highest CTE plan score will be funded within each region. The regional order may change each time through.
- This sequence continues until all first-priority projects are funded.
- Once all first-priority projects are funded, the same sequence will be used to fund second-priority projects, and so on.
- The sequence will continue until all the applications are apportioned or the funding is exhausted.
- In the event of a tie, a yet-to-be-determined item will be the deciding factor. Suggestions include need-based factors (i.e. dropout rates) or particular items within CTE app.

This sequence rewards the applicants with the CTE plans with most merit within regions. The sequence also provides equal footing for all applicants with high priority projects. The eleven regions additionally provide maximum geographic distribution.

A sample funding sequence is presented in Attachment D.

### *Grant Amounts*

AB 127 established that the CTEFP grant is to be allocated on a per-square-foot basis. In the previous presentation, it was proposed that a multiplier would be determined for each Career Technical Education (CTE) industry sector and that multiplier would be applied to the eligible square footage of the project. Given the considerable variation in facility and equipment needs between, and within, the CTE industry sectors, this approach proved to be very cumbersome and problematic.

It is now proposed that the funding be determined on a case-by-case basis. The applicant will supply the anticipated costs and square footage of each individual project. These costs will be subject to confirmation and the project will be bound by the funding limits delineated in law.

#### *Modernization Eligibility*

Previously, it was suggested that a district's modernization eligibility would be adjusted for facilities modernized under the CTEFP even if SFP modernization funds were not used. This was considered a strong disincentive to participate in the CTEFP. The OPSC recognizes the problems created by this approach and is now proposing that the use of CTEFP funds exclusively on a facility will not affect the modernization eligibility generated by that facility.

#### RECOMMENDATION

Present proposed regulations at the next available Committee meeting.

**ATTACHMENT B**

***Draft Version: September 21, 2006***

**Career Technical Education Facilities Program  
(Assembly Bill 127) Chapter 35, Statutes of 2006**

**Article 13.  
Career Technical Education  
Facilities Program**

**CALIFORNIA DEPARTMENT OF EDUCATION  
APPLICATION GUIDELINES**

**Date:** \_\_\_\_\_ (TBA)

**Due Date:  
No later than 4 P.M. \_\_\_TBA\_\_\_, 2007**

## TABLE of CONTENTS

	<b>Page</b>
Background and Purpose	3
Submission Instructions	—
Application Review and Scoring Process	—
Elements of the Project Application	—
Timelines for Review and Release of Grant Funding	—
Appendices	
Form A – Cover Page	—
Form B – Educational Specification and Equipment Space Requirements Sheet	—
Form C – Budget Justification/Detail Sheet	—
Form D – Industry Sectors	—

## **Career Technical Education Facilities Program**

### **BACKGROUND AND PURPOSE**

The Career Technical Education Facilities Program (CTEFP) was established by Article 13 of the *Kindergarten-University Public Education Facilities Bond Act of 2006*, Assembly Bill (AB) 127, Chapter 35, Statutes of 2006.

Article 13 of AB 127 authorizes the issuance and sale of state general obligation bonds to provide aid to school districts/comprehensive high schools and/or joint powers authorities to reconfigure, construct, or modernize Career Technical Education (CTE) facilities, and/or purchase equipment for CTE programs. This act becomes effective only if approved by the voters at the November 7, 2006 statewide general election.

#### ***Purpose of the Grants***

Article 13 addresses the needs of CTE facilities, to provide funding to qualifying local educational agencies (LEA) for constructing new facilities, reconfiguring/modernizing existing facilities, or purchasing equipment for the following purposes:

1. To reconfigure/modify a structure of any age that will enhance the CTE educational opportunities for pupils in qualifying educational agencies in order to provide them with the skills and knowledge necessary for high-demand technical careers.
2. Funds may be used for limited new construction necessary to accommodate reconfiguration.
3. New construction of CTE facilities.
4. Funds may be used to purchase equipment with an average useful life expectancy of at least 10 years.

#### ***Criteria for Application***

The California Department of Education (CDE) in cooperation with the Chancellor's Office of the Community Colleges, the Labor and Workforce Development Agency, and business and industry groups, is responsible for developing grant application 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 partnering community colleges or private institutions.

Grants will be allocated on a per-square-foot basis for the applicable type of construction proposed or deemed necessary by the State Allocation Board consistent with the approved application for the project. A school district/LEA must contribute an

equal amount as the state-awarded grant. The local contribution may be provided by private industry groups, the school district, or a joint powers authority and may be paid over time per a State Board of Allocation-approved payment schedule. The local contribution cannot be waived.

The school district is not required to demonstrate that it has unhoused pupils or that a permanent school building is more than 25 years old in order to receive a grant. However, the application will be subject to all other laws and regulations governing the School Facility Program. Please contact your Project Manager at the Office of Public School Construction (OPSC) at (916) 445-3160 for additional information.

The CDE application process is a two-stage process:

1. The educational program, project or equipment will be reviewed based upon the grant requirements for the educational program, and approved by the CDE.
2. The facilities, space, and equipment requirements of the proposed project will be reviewed by the CDE for consistency with Title 5 standards and for the plan supporting the described educational program. The approval will be forwarded to the OPSC.

To ensure equity and diversity of funding awards, it is the intent of CDE, OPSC, and the State Allocation Board that these grants be implemented in multiple areas of the state (i.e. within the California County Superintendent's regions). The California Department of Education/School Facilities Planning Division, OPSC and State Allocation Board retains ultimate discretion in the awarding of these grants to achieve this objective, therefore, geographical location of the projects may be a determining factor in awarding the grants.

## Career Technical Education Facilities Program

# GRANT APPLICATION SUBMISSION INSTRUCTIONS

*(Note: A separate application is required for each project, program or site)*

### Requirements

- **Cover Page (See Form A on page \_\_\_\_)**
- **Table of Contents**
- **Project Abstract (1 page maximum)**  
Complete a one-page abstract that includes a heading and brief summary of the Career Technical Education facilities/equipment request. The summary, not to exceed one page, describes the project's goals and objectives as they relate to enhancing the Career Technical Education opportunities for students.
- **Project Elements/Narrative (10 pages maximum)**  
The narrative must include descriptions of the Elements beginning on page \_\_\_\_\_. Please label and specify which Element item is being addressed.
- **Educational Specification and Equipment/Space Requirements Sheet (See Form B on page \_\_\_\_)**
- **Timelines for your Project**  
Identify all significant dates, deadlines, events.
- **Budget Justification/Detail Sheet (See Form C on page \_\_\_\_)**  
Provide a budget summary specifically addressing how the requested funds will be spent and other financial details.
- **Unique Conditions (1 page maximum)**  
If applicable, provide a one page description of any unique conditions affecting this application.
- **Appendix – Supporting Documentation**

### Format for the Preparation of the Application

Applications that do not comply with these formatting requirements will not be reviewed or considered for funding.

- Microsoft Word format
- Single line spacing (does not apply to supporting documentation)
- 12-point Arial font

- 1" side, top, and bottom margins
- Page numbers at bottom of each page with applicant agency name
- Do not attach additional pages or information not requested in the instructions
- Original and all copies stapled in upper left corner
- Do not use binders or folders
- Include an electronic copy of your application on either a 3.5" floppy disk or CD. Alternatively, you may e-mail an electronic version of your application to \_\_\_\_\_@cde.ca.gov by \_\_\_\_\_, 2007, 4:00 PM. The disk or CD will not be returned to the applicant.

**Due Date: The application document and three copies must be received no later than \_\_\_\_\_, 2007, 4:00 PM. Postmarks will not be accepted.**

Submit original, three copies, and electronic copy to:

\_\_\_\_\_, Assistant Field Representative  
School Facilities Planning Division  
California Department of Education  
1430 N Street, Suite 1201  
Sacramento, CA 95814-5901

DRAFT

## Career Technical Education Facilities Program

### THE APPLICATION REVIEW AND SCORING PROCESS

CDE staff, OPSC and State Allocation Board staff are charged with the review and awarding of grants under this provision of AB 127, Article 13. Staff will review project proposals submitted according to application guidelines. Scores will be based on the clarity and strength of descriptions of the application's required elements. Weighted score items are indicated with an asterisk (\*). The following table shows the maximum number of points to be assigned to each element.

<b>Project Elements (Narrative)</b>	<b>Maximum Potential Score</b>
1. Career Technical Education Plan	TBD
2. Projections of Student Enrollment	TBD
3. Identification of Feeder Schools and Partners	TBD
4. The Accountability Plan	TBD
5. Completion of the Project	TBD
6. Educational Specification and Equipment/Space Requirements Sheet (Use Form B)	TBD
7. Timelines for your Project	TBD
8. Budget Justification/Detail Sheet (Use Form C)	TBD
9. Unique Conditions	TBD
10. Appendix - Supporting Documentation	TBD
11. Overall Feasibility of the Project	TBD

*Note: Overall Feasibility of the Project*

This is not a category to be addressed by the applicant, but rather a rated area on the scoring sheet for the reviewer. The reviewer has an opportunity to consider whether the overall project is realistically capable of achieving the intent of AB 127, Article 13. The reviewer will consider the entire application, in overall context, to make a final, overall appraisal. The intent is to judge the cohesiveness and viability of the project.

## Career Technical Education Facilities Program

### PROJECT ELEMENTS OF THE APPLICATION

The following outline is intended to assist applicants to address each element in the grant application. Applicants must concisely describe each item in each element. For example, under Career Technical Education Plan, separately describe A, B, C, etc.

Item	<b>Element 1. Career Technical Education Plan</b>
A.*	Describe the Career Technical Education Plan, including the rationale for the requested CTE modification, reconfiguration, new construction, or equipment needs. Identify the industry sector being addressed and describe the high-demand labor market for qualified technical employees in this field in the region. (A copy of the Plan, with approval date, should be included in the Appendix as supporting documentation.)
B.	Describe how the school ensures that all students are given the opportunity to participate in CTE programs, activities and experiences.
C.	Describe how the CTE program includes the following: industry-based and State Board of Education-adopted CTE Standards, a sequence of CTE courses and career pathways.

Item	<b>Element 2. Projections of Student Enrollment</b>
A.*	Describe the method used to project student enrollments, and the number of pupils expected to attend the CTE program that will be supported with these funds.
B.	Describe the procedures in place that will ensure that the projected student enrollment will be met. Include the specific role of the guidance and counseling component of the school or program in the recruitment and enrollment process.
C.	Describe how students will have expanded employment or advanced training opportunities in the CTE programs that will be supported with these funds.

Item	<b>Element 3. Identification of Feeder Schools and Partners</b>
A.*	Identify and describe the coordination and articulation with key stakeholders including feeder schools, middle and high schools, regional occupational centers and programs (ROCP), students, parents, counselors, community members, business and industry partners and representatives, community colleges, and others, who participated to develop, approve, and review the CTE Plan and program. (A roster indicating participant's names and affiliations should be included in the Appendix as supporting documentation.)

Weighted score items are indicated with an asterisk (\*)

<b>Item</b>	<b>Element 4. The Accountability Plan</b>
A.*	Describe the school's commitment to accountability for CTE student outcomes and participation.
B.	Describe the process used to ensure CTE teachers involved with this project or program are highly qualified and possess appropriate CTE teaching credentials.
C.	Describe how the following CTE data will be gathered, analyzed, reported and disseminated to CDE, the local School Board, parents, community members, business and industry, and other key stakeholders: (1) the number of students who complete a certificate, i.e. ROCP, industry-based, etc., (2) the number of students entering employment in a related industry, and (3) the number of students successfully transitioning into postsecondary institutions for more advanced study in the applicable industry or other areas of study.

<b>Item</b>	<b>Element 5. Completion of the Project</b>
A.	Describe how the school has adopted a required curriculum that meets or exceeds the model standards adopted by the State Board of Education pursuant to <i>Education Code Section 51228</i> .
B.	Describe how the school is offering a CTE course of study that provides an opportunity for pupils to attain at least entry-level employment skills in business or industry upon graduation from high school and allows opportunities for articulation to postsecondary institutions.

<b>Item</b>	<b>Element 6. Educational Specification and Equipment/Space Requirements Sheet (Use Form B)</b>
A.	Applicants are to provide an educational specification that defines the educational goals of the particular CTE program and shows how the requested grant will be used (specify equipment, furniture and facilities construction or modernization) to meet those goals. Please submit a schematic drawing of the proposed space and location of the equipment for this project.

<b>Item</b>	<b>Element 7. Timelines for the Project</b>
A.	Identify significant dates, key events and deadlines. Give sufficient detail to provide a clear understanding of funding and construction timelines. Specify anticipated program funding cycles and filing dates, including preliminary apportionment, if needed. Indicate expected approvals from necessary agencies.
B.	Provide names, phone numbers, and e-mail addresses of responsible persons who will ensure project timelines will be met.

Weighted score items are indicated with an asterisk (\*)

<b>Item</b>	<b>Element 8. Budget Justification/Detail Sheet (Use Form C)</b>
A.*	Provide the estimated capital cost per pupil and the method used to determine this figure.
B.	Provide budget details and budget summary specifically addressing how project funds will be spent.
C.	Describe the amount and source of the “match” and if a time-payment system is required?
D.*	Describe the financial participation of industry partners in the construction and equipping of the facility.
E.	Describe any other funding, including foundations, other business and industry, fundraising, donations, federal/state grants, or other sources to be used to support this project.

<b>Item</b>	<b>Element 9. Unique Conditions</b>
A.	Describe any unique conditions which may affect this application. Unique conditions may include, but are not limited to, such items as rural or isolated schools or educational agencies, unique partnership arrangements, unique costs and expense issues, unique physical plant conditions or facilities issues, etc.

<b>Item</b>	<b>Element 10. Appendix (Samples of Supporting Documentation listed below)</b>
A.	Career Technical Education Plan.
B.	Rosters of key stakeholders, participants, partners, etc.
C.	Copies of minutes of meetings, i.e. local board action.
D.	Letters of support from business and industry, labor organizations, schools, community representatives, other key stakeholders, etc.
E.	Plans, drawings, designs, sketches, layouts and/or arrangements of rooms, shops, labs and facilities, etc. to give the reviewers a clear understanding of the request.
F.	Name and use of equipment being requested.

Weighted score items are indicated with an asterisk (\*)

## Career Technical Education Facilities Program

### TIMELINES FOR THE REVIEW AND RELEASE OF GRANT FUNDING

Funding Opportunity Announced and Application Guidelines Released	_____	, 2007
Applicants' workshops conducted regionally (TBA)	_____	, 2007
Applications Due to CDE No Later Than	_____	, 2007
Application Scoring Completed	_____	, 2007
Appeal Process begins/ends	_____	, 2007
Successful Applicants Recommended to SAB	_____	, 2007

DRAFT

## Career Technical Education Facilities Program

### FORM A – COVER PAGE

#### Local Educational Agency

LOCAL EDUCATIONAL AGENCY (LEA):	CDS Code:
Name/Title Of Fiscal Contact:	
Address:	
City:	Zip:
Telephone:	Fax:
E-mail:	Web Site:

#### CTE Facilities Contact

CTE Site Location:	
NAME AND TITLE OF Contact:	
ADDRESS:	
CITY:	ZIP:
Telephone:	Fax:
E-mail:	Web Site:

#### Signatures/Approvals

SUPERINTENDENT PRINTED NAME:	SUPERINTENDENT SIGNATURE/DATE:
CTE FACILITIES CONTACT NAME:	CTE FACILITIES CONTACT SIGNATURE/DATE:
DATE PLAN APPROVED BY BOARD:	

Instructions: Please send or deliver original and three copies of the application no later than 4:00 P.M., \_\_\_\_\_, 2007, to:

\_\_\_\_\_, Assistant Field Representative  
School Facilities Planning Division  
California Department of Education  
1430 N Street, Suite 1201  
Sacramento, CA 95814-5901

In addition, include an electronic copy of your application on either a 3.5" floppy disk or CD. Alternatively, you may e-mail an electronic version of your application to [\\_\\_\\_\\_\\_@cde.ca.gov](mailto:_____@cde.ca.gov) by \_\_\_\_\_, 2007, 4:00 P.M. The disk or CD will not be returned to the applicant.

## Career Technical Education Facilities Program

### FORM B – EDUCATIONAL SPECIFICATION AND EQUIPMENT/SPACE REQUIREMENTS SHEET

County:	Name of Project:
Local Education Agency:	Type of Project: <input type="checkbox"/> New Construction <input type="checkbox"/> Modernization
Name of School:	Student Capacity for Project:
Project Tracking Number:	<b>Proposed Schematic Drawing Attached?</b> <input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b>

#### Project Summary

Generally describe the scope of the career technical project and its educational goals.

#### Program and Space Functionality

Describe the program activities for this career tech pathway and how the teaching station will support those functions.

#### Space and Equipment Requirements

List required equipment needed to support the career technical project and the square footage requirements for all its other spaces (teaching station, storage, office, lab, lecture area, etc.). Please attach a schematic drawing of the proposed project.

#### Functional Relationship to Site

Describe how the new construction or modernized building impacts other areas of the site.

#### Site Development Considerations

Provide, if any, additional site development needs associated with the career technical project.

**Career Technical Education Facilities Program**

**FORM C – BUDGET JUSTIFICATION/DETAIL SHEET**  
**(One Form per School Site, Per Project)**

LEA Name: \_\_\_\_\_ Project Name: \_\_\_\_\_

Provide sufficient detail to justify the budget. The budget justification page(s) must provide all required information even if the items have already been identified and discussed in another section. For each project or equipment, list the costs associated. Please duplicate this form as needed.

<b>Project/Equipment Description</b>	<b>Subtotal (For each item)</b>
<b>DRAFT</b>	

Total Amount of Funds Requested: \_\_\_\_\_

Match Amount: \_\_\_\_\_

Financial Support from Industry Partners: \_\_\_\_\_

Other Sources of Funding: \_\_\_\_\_

**FORM C**  
**California Department of Education**  
**INDUSTRY SECTORS AND PATHWAYS**

Agriculture and Natural Resources Industry Sector

- A. Agricultural Business Pathway
- B. Agricultural Mechanics Pathway
- C. Agriscience Pathway
- D. Animal Science Pathway
- E. Forestry and Natural Resources Pathway
- F. Ornamental Horticulture Pathway
- G. Plant and Soil Science Pathway

Arts, Media, and Entertainment Industry Sector

- A. Media and Design Arts Pathway
- B. Performing Arts Pathway
- C. Production and Managerial Arts Pathway

Building Trades and Construction Industry Sector

- A. Cabinetmaking and Wood Products Pathway
- B. Engineering and Heavy Construction Pathway
- C. Mechanical Construction Pathway
- D. Residential and Commercial Construction Pathway

Education, Child Development, and Family Services Industry Sector

- A. Child Development Pathway
- B. Consumer Services Pathway
- C. Education Pathway
- D. Family and Human Services Pathway

Energy and Utilities Industry Sector

- A. Electromechanical Installation and Maintenance Pathway
- B. Energy and Environmental Technology Pathway
- C. Public Utilities Pathway
- D. Residential and Commercial Energy and Utilities Pathway

Engineering and Design Industry Sector

- A. Architectural and Structural Engineering Pathway
- B. Computer Hardware, Electrical, and Networking Engineering Pathway
- C. Engineering Design Pathway
- D. Engineering Technology Pathway
- E. Environmental and Natural Science Engineering Pathway

Fashion and Interior Design Industry Sector

- A. Fashion Design, Manufacturing, and Merchandising Pathway
- B. Interior Design, Furnishings, and Maintenance Pathway

### Finance and Business Industry Sector

- A. Accounting Services Pathway
- B. Banking and Related Services Pathway
- C. Business Financial Management Pathway

### Health Science and Medical Technology Industry Sector

- A. Biotechnology Research and Development Pathway
- B. Diagnostic Services Pathway
- C. Health Informatics Pathway
- D. Support Services Pathway
- E. Therapeutic Services Pathway

### Hospitality, Tourism, and Recreation Industry Sector

- A. Food Science, Dietetics, and Nutrition Pathway
- B. Food Service and Hospitality Pathway
- C. Hospitality, Tourism, and Recreation Pathway

### Information Technology Industry Sector

- A. Information Support and Services Pathway
- B. Media Support and Services Pathway
- C. Network Communications Pathway
- D. Programming and Systems Development Pathway

### Manufacturing and Product Development Industry Sector

- A. Graphic Arts Technology Pathway
- B. Integrated Graphics Technology Pathway
- C. Machine and Forming Technology Pathway
- D. Welding Technology Pathway

### Marketing, Sales, and Service Industry Sector

- A. E-commerce Pathway
- B. Entrepreneurship Pathway
- C. International Trade Pathway
- D. Professional Sales and Marketing Pathway

### Public Services Industry Sector

- A. Human Services Pathway
- B. Legal and Government Services Pathway
- C. Protective Services Pathway

### Transportation Industry Sector

- A. Vehicle Maintenance, Service, and Repair
- B. Aviation and Aerospace Transportation Services Pathway
- C. Collision Repair and Refinishing Pathway

# FORM D

The Eleven Service Regions of California County Superintendents Educational Services Association (CCSESA)



ATTACHMENT C

SAMPLE PRELIMINARY APPORTIONMENT.

Scenario 1 Local Funds Available		Scenario 2 Local Funds Not Immediately Available
\$6,000,000	Total Project Cost	\$6,000,000
\$3,000,000	State Contribution	\$3,000,000
\$3,000,000	Applicant/Partner Contribution	\$0
\$0	Repayment Amount	\$3,000,000
\$300,000	Design Funding Amount	\$600,000

ATTACHMENT D

SAMPLE FUNDING SEQUENCE

Applications:

		Region									
		1		2		3		4		5	
1st Priority Projects	Lake HSD	95	Modoc USD	99	Yuba USD	96	Napa HSD	92	Kern USD	93	
	Sonoma HSD	90	Lassen HSD	88	Sutter HSD	89	SF USD	81			
	Mendo USD	89			Placer HSD	88					
					Alpine USD	85					
2nd Priority Projects					Sierra USD	80					
	Mendo USD	89			Yuba USD	96	SF USD	81			
3rd Priority Projects					Placer HSD	88					
					Yuba USD	96					

Funding Sequence:

- Round 1:** Modoc USD, Yuba USD, Lake HSD, Kern USD, Napa HSD
- Round 2:** Sonoma HSD, Sutter HSD, Lassen HSD, SF USD
- Round 3:** Mendo USD, Placer HSD
- Round 4:** Alpine USD
- Round 5:** Sierra USD
- Round 6:** Yuba USD, Mendo USD, SF USD
- Round 7:** Placer HSD
- Round 8:** Yuba USD

## 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.