

## INITIAL STATEMENT OF REASONS

### **Section 1859.184. Overcrowding Relief Grant Application Submittals and Apportionments.**

#### **Specific Purpose of the Regulation**

To add an additional funding cycle for the Overcrowding Relief Grant (ORG) Program, and to authorize the State Allocation Board (SAB) to establish future funding cycles as necessary to apportion any or all remaining ORG funds. Assembly Bill (AB) 127, Chapter 35, Statutes of 2006 (Nunez/Perata) established this Program to fund reductions of portable classrooms on overcrowded school sites by replacing them with permanent classrooms at the existing or other school sites.

#### **Need for the Regulation**

New subsection (b)(6): It was necessary to add another funding cycle for the ORG Program because five funding cycles ending on January 29, 2010 will have allocated only half of the \$1 billion authorized for the Program. AB 127 authorized the Program and it was approved by the voters in Proposition 1D at the November 7, 2006 General Election (the Kindergarten-University Public Education Facilities Bond Act of 2006). This Act does not provide for ORG funds to be used for other program purposes. It was logical to make "July 30, 2010" the due date for submitting applications in order to continue in the same six-month interval schedule used in previous funding cycles.

New subsection (b)(7): It was necessary to authorize the SAB to establish future funding cycles as needed to apportion any or all remaining ORG funds in order to carry out the legislative purpose and project apportionments established in AB 127, and approved by the voters in Proposition 1D. This will allow overcrowded school districts to continue to be able to apply for any remaining ORG Program funding after the July 30, 2010 funding cycle.

#### **Technical Documents Relied Upon**

The State Allocation Board's Action item, dated January 27, 2010, entitled "Overcrowding Relief Grant Regulations."

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

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

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

The SAB has determined that the proposed regulations do not affect small businesses.

### **Finding of Significant Adverse Economic Impact on Businesses**

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

### **Impact on Local Agencies or School Districts**

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