

ATTACHMENT B – AS MODIFIED AND APPROVED BY THE BOARD  
PROPOSED AMENDMENTS TO THE  
SCHOOL FACILITY PROGRAM REGULATIONS  
State Allocation Board Meeting, May 26, 2010

To amend regulation section 1859.90.1, 1859.129(b)(1)(A)(2), and 1859.197(a)  
To add regulation Section 1859.90.2

Section 1859.90.1. Priority Funding Round Process

The Board will establish a one-time priority funding round to distribute \$408.3 million dollars to districts who request an Apportionment during a 30 day filing period beginning May 27, 2010 and ending June 28, 2010. Any funds not apportioned as of August 25, 2010 shall remain available for any other applicable School Facilities Program project apportionments by the Board. During the priority funding round the Board will require that a district must submit the Form SAB 50-05 within 90 days of the Apportionment. Projects that apply for this priority funding round that do not submit a completed Form 50-05 within 90 days shall be rescinded without further Board action. In order to be considered for an Apportionment, the district must provide a written statement signed by an authorized district representative within the 30 day filing period that contains all of the following:

- (a) Request to convert the Unfunded Approval to an Apportionment; and,
- (b) Concurrence with the 90 day time limit on fund release; and
- (c) Acknowledgement that failure to submit a valid Form SAB 50-05 within the 75 day time limit will result in the rescission of the Apportionment without further Board action; and
- (d) Acknowledgment that by participating in the priority funding round, the district is waiving its right to a standard 18 month timeline for fund release submittal.

For the purposes of this section “rescinded” shall mean that the apportionment returns to unfunded approval status with a new Unfunded Approval date. The new Unfunded Approval date will be November 2, 2010. The District will not be required to re-submit the application and no further application review will be required.

This regulation section shall become inoperative December 31, 2010.

Note: Authority cited: Section 17070.35, Education Code.  
Reference: Sections 17072.12, 17072.30, 17074.15, 17076.10, 17077.40, 17077.42 and 17077.45, Education Code.

Section 1859.90.4 2. Local Bond Reimbursement Fund Releases.

When a school district uses local bond funds....

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Note: Authority cited: Section 17070.35, Education Code.  
Reference: Sections 17070.63 and 17072.35, Education Code.

Section 1859.129. Time Limit on Apportionment.

- (a) If the district received an apportionment for a Type I Joint-Use Project or a Type II, part of a qualifying SFP Modernization project, Joint-Use Project, the district is subject to the time limit on the apportionment as outlined in Education Code Section 17076.10.
- (b) If the district received an apportionment for a Type II Joint-Use Project, not part of a qualifying SFP Modernization project, the district:
  - (1) Has one year from the date of that apportionment to submit the plans and specifications to the OPSC for the Joint-Use Project that have been approved by the DSA and the CDE (plans only), otherwise the apportionment will be rescinded without further Board action. If, upon review by the OPSC, the final Division of the State Architect approved plans create a reduction in square footage that is greater than or equal to five percent of the square footage contained in the preliminary plans, a commensurate reduction to the

apportionment pursuant to Section 1859.125 shall be taken to the next available State Allocation Board meeting.

(A) In the event the Board determines there is a fiscal emergency or crisis on the part of the State of California, the Board can make a finding that a project has an Inactive Apportionment, as defined in Regulation Section 1859.2, and that the districts' ability to submit completed plans to the DSA has been impacted, and therefore the district will no longer be able to meet the approval requirement in Education Code Section 17077.45(c). In the event the Board makes that determination and finding, the Board may suspend the 12-month period for a period not to exceed 12 months beyond the time period as required in (b)(1). Once the suspension period has concluded, each project will resume where its originating period of time was suspended. Regulation Section 1859.129(b)(1)(A) shall become inoperative January 1, 2010.

(2) Has 18 months from the date the DSA and CDE approved plans were submitted to the OPSC to submit a completed Form SAB 50-05 or the apportionment will be rescinded without further Board action. If the district is requesting an Apportionment pursuant to Section 1859.90.1, the Board will require that this time limit be reduced to no more than 90 days from the date of the apportionment.

(3) Is subject to substantial progress time limit on the apportionment as outlined in Subdivision (b) of Education Code Section 17076.10.

Note: Authority cited: Sections 17070.35 and 17075.15, Education Code.  
Reference: Sections 17076.10, 17077.40, 17077.42 and 17077.45, Education Code.

#### Section 1859.197. Fund Release Process.

The OPSC will release State funds that have been apportioned by the Board pursuant to Sections 1859.195 and 1859.196 after submittal by the applicant of the Form SAB 50-05.

(a) If an apportionment was made for a Career Technical Education Facilities Project, the applicant must submit a Form SAB 50-05 within 18 months of the Apportionment as outlined in Education Code Section 17076.10 or the apportionment shall be rescinded without further Board action.

(b) If Career Technical Education Facilities funds were reserved for the applicant pursuant to Section 1859.193(d) of these Regulations, the applicant:

(1) Has one year from the date of apportionment to submit the CDE plan approval and DSA-approved plans and specifications, as required, to the OPSC for the Career Technical Education Facilities Project, otherwise the apportionment shall be rescinded without further Board action.

(2) Has 18 months from the date the CDE plan approval and DSA-approved plans and specifications, as needed, are submitted to the OPSC to submit a completed Form SAB 50-05 or the apportionment shall be rescinded without further Board action. If the district is requesting an apportionment pursuant to Section 1859.90.1, the Board will require that this time limit be reduced to no more than 90 days from the date of the apportionment.

(c) If the applicant requires a loan for the entire matching share requirement pursuant to Section 1859.194(b) of these Regulations:

(1) Subject to the availability of financing provided by the Pooled Money Investment Board for bond-funded projects, the OPSC will release ten percent of the Career Technical Education Facilities grant to the applicant within 30 calendar days of the apportionment.

(2) The applicant has one year from the date of apportionment to submit the CDE plan approval and DSA-approved plans and specifications, as required, to the OPSC for the Career Technical Education Facilities Project, otherwise the apportionment shall be rescinded without further Board action

(3) The applicant has 18 months from the date in (c)(2) to submit a completed Form SAB 50-05 or the apportionment shall be rescinded without further Board action.

(d) The applicant is subject to substantial progress time limit on the apportionment as outlined in Education Code Section 17076.10(b).

(e) In the event the Board determines there is a fiscal emergency or crisis on the part of the State of California, the Board may grant an extension not to exceed 12 months to the time limit prescribed in (b)(1) and (c)(2) above and Section 1859.193(d). Regulation Section 1859.197(e) shall become inoperative January 1, 2010.

Note: Authority cited: Sections 17070.35 and 17078.72(k), Education Code.  
Reference: Sections 17078.72 and 17076.10 Education Code.