

AMENDED IN ASSEMBLY JULY 17, 2007

AMENDED IN ASSEMBLY JULY 2, 2007

AMENDED IN SENATE JUNE 4, 2007

AMENDED IN SENATE MAY 22, 2007

AMENDED IN SENATE MAY 15, 2007

AMENDED IN SENATE MAY 2, 2007

**SENATE BILL**

**No. 658**

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**Introduced by Senator Romero**

February 22, 2007

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An act to amend, repeal, and add Section 17071.75 of the Education Code, relating to school facilities.

LEGISLATIVE COUNSEL'S DIGEST

SB 658, as amended, Romero. School facilities.

~~(1) The~~

*The Leroy F. Greene School Facilities Act of 1998* authorizes the State Allocation Board to apportion state funding to applicant school districts for designated school facilities construction purposes.

Existing law establishes a method for calculating a school district's continued eligibility for new construction funding. The act requires an applicant school district for new construction to submit to the board a one-time report of existing school building capacity that is to be calculated pursuant to a specified formula, and requires ongoing eligibility for new construction funding to be determined by completing a series of calculations based on projected enrollment compared to existing school building capacity.

This bill, until January 1, ~~2012~~ 2013, would authorize a school district that has experienced at least 2 consecutive years of a decline in enrollment of less than 10% per year to retain eligibility for funding for ~~no more than~~ 5 years from the date of the approval of eligibility if the school district meets specified requirements.

~~(2) This bill would become operative only if SB 121 of the 2007–08 Regular Session is enacted and becomes operative.~~

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

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

1 SECTION 1. Section 17071.75 of the Education Code is  
2 amended to read:  
3 17071.75. After a one-time initial report of existing school  
4 building capacity has been completed, the ongoing eligibility of a  
5 school district for new construction funding shall be determined  
6 by making all of the following calculations:  
7 (a) A school district that applies to receive funding for new  
8 construction shall use the following methods to determine projected  
9 enrollment:  
10 (1) A school district that has two or more schoolsites each with  
11 a pupil population density that is greater than 115 pupils per acre  
12 in kindergarten and grades 1 to 6, inclusive, or a schoolsite pupil  
13 population density that is greater than 90 pupils per acre in grades  
14 7 to 12, inclusive, as determined by the Superintendent using  
15 enrollment data from the California Basic Educational Data System  
16 for the 2004–05 school year, may submit an application for funding  
17 for projects that will relieve overcrowded conditions. That school  
18 district also may submit an alternative enrollment projection for  
19 the fifth year beyond the fiscal year in which the application is  
20 made using a methodology other than the cohort survival method  
21 as defined by the board pursuant to paragraph (2), to be reviewed  
22 by the Demographic Research Unit of the Department of Finance,  
23 in consultation with the department and the Office of Public School  
24 Construction. If the Office of Public School Construction and the  
25 Demographic Research Unit of the Department of Finance jointly  
26 determine that the alternative enrollment projection provides a  
27 reasonable estimate of expected enrollment demand, a

1 recommendation shall be forwarded to the board to approve or  
2 disapprove the application, in accordance with all of the following:

3 (A) Total funding for new construction projects using this  
4 method shall be limited to five hundred million dollars  
5 (\$500,000,000) from the Kindergarten-University Public Education  
6 Facilities Bond Act of 2004.

7 (B) The eligibility amount for proposed projects that relieve  
8 overcrowding is the difference between the alternative enrollment  
9 projection method for the year the application is submitted and the  
10 cohort survival method, as defined by paragraph (2), for the same  
11 year, adjusted by the existing pupil capacity in excess of the  
12 projected enrollment according to the cohort survival projection  
13 method.

14 (C) The Office of Public School Construction shall determine  
15 whether each proposed project will relieve overcrowding,  
16 including, but not limited to, the elimination of the use of Concept  
17 6 calendars, four track year-round calendars, or busing in excess  
18 of 40 minutes, and recommend approval to the board. The number  
19 of unhoused pupil grants requested in the application for funding  
20 from the eligibility determined pursuant to this paragraph shall be  
21 limited to the number of seats necessary to relieve overcrowding,  
22 including, but not limited to, the elimination of the use of Concept  
23 6 calendars, four track year-round calendars, or busing in excess  
24 of 40 minutes, less the number of unhoused pupil grants attributed  
25 to that school as a source school in an approved application  
26 pursuant to Section 17078.24.

27 (D) A school district shall use the same alternative enrollment  
28 projection methodology for all applications submitted pursuant to  
29 this paragraph and shall calculate those projections in accordance  
30 with the same districtwide or high school attendance area used for  
31 the enrollment projection made pursuant to paragraph (2).

32 (2) A school district shall calculate enrollment projections for  
33 the fifth year beyond the fiscal year in which the application is  
34 made. Projected enrollment shall be determined by utilizing the  
35 cohort survival enrollment projection system, as defined and  
36 approved by the board. The board may supplement the cohort  
37 survival enrollment projection by the number of unhoused pupils  
38 who are anticipated as a result of dwelling units proposed pursuant  
39 to approved and valid tentative subdivision maps.

1 (b) (1) Add the number of pupils who may be housed adequately  
2 in the existing school building capacity of the applicant school  
3 district as determined pursuant to Article 2 (commencing with  
4 Section 17071.10) to the number of pupils for whom facilities were  
5 provided from any state or local funding source after the existing  
6 school building capacity was determined pursuant to Article 2  
7 (commencing with Section 17071.10). For this purpose, the total  
8 number of pupils for whom facilities were provided shall be  
9 determined using the pupil loading formula set forth in Section  
10 17071.25.

11 (2) Subtract from the number of pupils calculated in paragraph  
12 (1) the number of pupils who were housed in facilities to which  
13 the school district or county office of education relinquished title  
14 as the result of a transfer of a special education program between  
15 a school district and a county office of education or special  
16 education local plan area, if applicable. For this purpose, the total  
17 number of pupils who were housed in the facilities to which title  
18 was relinquished shall be determined using the pupil loading  
19 formula adopted by the board pursuant to subparagraph (B) of  
20 paragraph (2) of subdivision (a) of Section 17071.25. For purposes  
21 of this paragraph, title also includes any lease interest with a  
22 duration of greater than five years.

23 (c) Subtract the number of pupils pursuant to subdivision (b)  
24 from the number of pupils determined pursuant to paragraph (2)  
25 of subdivision (a).

26 (d) The calculations required to establish eligibility under this  
27 article shall result in a distinction between the number of existing  
28 unhoused pupils and the number of projected unhoused pupils.

29 (e) Apply the increase or decrease resulting from the difference  
30 between the most recent report made pursuant to Section 42268,  
31 and the report used in determining the baseline capacity of the  
32 school district pursuant to subdivision (a) of Section 17071.25.

33 (f) For purposes of calculating projected enrollment pursuant  
34 to subdivision (a), the board may adopt regulations to ensure that  
35 the enrollment calculation of individuals with exceptional needs  
36 receiving special education services is adjusted in the enrollment  
37 reporting period in which the transfer occurs and three previous  
38 school years as a result of any transfer of a special education  
39 program between a school district and a county office of education  
40 or a special education local plan area. However, the projected

1 enrollment calculation of a county office of education shall be  
2 adjusted only if a transfer of title for the special education program  
3 facilities has occurred. The regulations, if adopted, shall ensure  
4 that if a transfer of title to special education program facilities  
5 constructed with state funds occurs within 10 years after initial  
6 occupancy of the facility, the receiving school district or school  
7 districts shall remit to the state a proportionate share of any  
8 financial hardship assistance provided for the project pursuant to  
9 Section 17075.10, if applicable.

10 (g) For a school district with an enrollment of 2,500, or less, an  
11 adjustment in enrollment projections shall not result in a loss of  
12 ongoing eligibility to that school district for a period of three years  
13 from the date of the approval of eligibility by the board.

14 (h) A school district may retain eligibility for funding under  
15 this chapter for ~~no more than~~ five years from the date the eligibility  
16 was approved by the board if the school district has experienced  
17 at least two consecutive years of decline in enrollment of less than  
18 10 percent in ~~either~~ *each* year, as determined pursuant to this  
19 section, and meets the following requirements *by January 1, 2008*:

20 (1) The local educational agency had a board-adopted plan in  
21 place at the time that eligibility was ~~last established~~ *established*  
22 *pursuant to this subdivision* that addressed the need for new school  
23 construction for at least five years ~~following the date of the school~~  
24 ~~district's application for new construction funding~~, and the plan  
25 contained the following elements:

26 (A) A projection of pupils and ~~the methodology used in the~~  
27 ~~projection~~: *an explanation of how the district derived the projected*  
28 *enrollment*.

29 (B) A determination of the capacity of existing schools.

30 (C) Educational program needs.

31 (2) The State Department of Education reviews the plan and  
32 notifies the board ~~of approved plans~~ *that the plan contains the*  
33 *elements specified in paragraph (1)*.

34 (3) The school district has received either of the following from  
35 the State Department of Education for a new site to serve the pupils  
36 identified in the plan described in paragraph (1):

37 (A) Final site approval by the State Department of Education.

38 (B) A determination by the State Department of Education that  
39 the site is the best available alternative site, and the local

1 educational agency has completed and submitted all requirements  
2 for site approval except for the following:

3 (i) Final approval from the Department of Toxic Substances  
4 Control if the Department of Toxic Substances Control has  
5 estimated that a response action for the site will take six or more  
6 months to complete, or the local educational agency is currently  
7 determined by the Office of Public School Construction to meet  
8 the requirements for financial hardship status.

9 (ii) Completion of the California Environmental Quality Act  
10 (Division 13 (commencing with Section 21000) of the Public  
11 Resources Code) process.

12 (i) This section shall remain in effect only until January 1, ~~2012~~  
13 ~~2013~~, and as of that date is repealed, unless a later enacted statute,  
14 that is enacted before January 1, ~~2012~~ ~~2013~~, deletes or extends  
15 that date.

16 SEC. 2. Section 17071.75 is added to the Education Code, to  
17 read:

18 17071.75. After a one-time initial report of existing school  
19 building capacity has been completed, the ongoing eligibility of a  
20 school district for new construction funding shall be determined  
21 by making all of the following calculations:

22 (a) A school district that applies to receive funding for new  
23 construction shall use the following methods to determine projected  
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26 a pupil population density that is greater than 115 pupils per acre  
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36 as defined by the board pursuant to paragraph (2), to be reviewed  
37 by the Demographic Research Unit of the Department of Finance,  
38 in consultation with the department and the Office of Public School  
39 Construction. If the Office of Public School Construction and the  
40 Demographic Research Unit of the Department of Finance jointly

1 determine that the alternative enrollment projection provides a  
2 reasonable estimate of expected enrollment demand, a  
3 recommendation shall be forwarded to the board to approve or  
4 disapprove the application, in accordance with all of the following:

5 (A) Total funding for new construction projects using this  
6 method shall be limited to five hundred million dollars  
7 (\$500,000,000) from the Kindergarten-University Public Education  
8 Facilities Bond Act of 2004.

9 (B) The eligibility amount for proposed projects that relieve  
10 overcrowding is the difference between the alternative enrollment  
11 projection method for the year the application is submitted and the  
12 cohort survival method, as defined by paragraph (2), for the same  
13 year, adjusted by the existing pupil capacity in excess of the  
14 projected enrollment according to the cohort survival projection  
15 method.

16 (C) The Office of Public School Construction shall determine  
17 whether each proposed project will relieve overcrowding,  
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20 of 40 minutes, and recommend approval to the board. The number  
21 of unhoused pupil grants requested in the application for funding  
22 from the eligibility determined pursuant to this paragraph shall be  
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26 of 40 minutes, less the number of unhoused pupil grants attributed  
27 to that school as a source school in an approved application  
28 pursuant to Section 17078.24.

29 (D) A school district shall use the same alternative enrollment  
30 projection methodology for all applications submitted pursuant to  
31 this paragraph and shall calculate those projections in accordance  
32 with the same districtwide or high school attendance area used for  
33 the enrollment projection made pursuant to paragraph (2).

34 (2) A school district shall calculate enrollment projections for  
35 the fifth year beyond the fiscal year in which the application is  
36 made. Projected enrollment shall be determined by utilizing the  
37 cohort survival enrollment projection system, as defined and  
38 approved by the board. The board may supplement the cohort  
39 survival enrollment projection by the number of unhoused pupils

1 who are anticipated as a result of dwelling units proposed pursuant  
2 to approved and valid tentative subdivision maps.

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11 determined using the pupil loading formula set forth in Section  
12 17071.25.

13 (2) Subtract from the number of pupils calculated in paragraph  
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16 as the result of a transfer of a special education program between  
17 a school district and a county office of education or special  
18 education local plan area, if applicable. For this purpose, the total  
19 number of pupils who were housed in the facilities to which title  
20 was relinquished shall be determined using the pupil loading  
21 formula adopted by the board pursuant to subparagraph (B) of  
22 paragraph (2) of subdivision (a) of Section 17071.25. For purposes  
23 of this paragraph, title also includes any lease interest with a  
24 duration of greater than five years.

25 (c) Subtract the number of pupils pursuant to subdivision (b)  
26 from the number of pupils determined pursuant to paragraph (2)  
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28 (d) The calculations required to establish eligibility under this  
29 article shall result in a distinction between the number of existing  
30 unhoused pupils and the number of projected unhoused pupils.

31 (e) Apply the increase or decrease resulting from the difference  
32 between the most recent report made pursuant to Section 42268,  
33 and the report used in determining the baseline capacity of the  
34 school district pursuant to subdivision (a) of Section 17071.25.

35 (f) For purposes of calculating projected enrollment pursuant  
36 to subdivision (a), the board may adopt regulations to ensure that  
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39 reporting period in which the transfer occurs and three previous  
40 school years as a result of any transfer of a special education

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6 that if a transfer of title to special education program facilities  
7 constructed with state funds occurs within 10 years after initial  
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9 districts shall remit to the state a proportionate share of any  
10 financial hardship assistance provided for the project pursuant to  
11 Section 17075.10, if applicable.

12 (g) For a school district with an enrollment of 2,500, or less, an  
13 adjustment in enrollment projections shall not result in a loss of  
14 ongoing eligibility to that school district for a period of three years  
15 from the date of the approval of eligibility by the board.

16 (h) This section shall become operative on January 1, 2012  
17 2013.

18 ~~SEC. 3. This act shall become operative only if Senate Bill~~  
19 ~~121 of the 2007-08 Regular Session is enacted and becomes~~  
20 ~~operative.~~