

AMENDED IN ASSEMBLY AUGUST 21, 2008

AMENDED IN ASSEMBLY JUNE 11, 2008

AMENDED IN SENATE APRIL 23, 2008

AMENDED IN SENATE APRIL 3, 2008

SENATE BILL

No. 1447

Introduced by Senator Yee

February 21, 2008

An act to add and repeal Section ~~17463.6~~ 17463.7 of the Education Code, relating the San Bruno Park School District, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 1447, as amended, Yee. Education finance: San Bruno Park School District.

(1) Existing law establishes the public school system in this state, and, among other things, provides for the establishment of school districts throughout the state and for their provision of instruction at the public elementary and secondary schools they operate and maintain. Existing law establishes a public school funding system that includes, among other elements, the provision of funding to local educational agencies through state apportionments, the proceeds of property taxes collected at the local level, and other sources. Existing law authorizes school districts to sell surplus real and personal property, as specified. Existing law requires the proceeds obtained by a school district pursuant to the sale of its real property to be expended solely for capital outlay purposes.

This bill would authorize the San Bruno Park School District to encumber and expend up to \$1,400,000 of the proceeds from the sale

of the site of the former Carl Sandburg Elementary School for the 2008–09 fiscal year, as specified, thereby making an appropriation. The bill also would require the district to restore the funds encumbered and expended pursuant to this bill, plus interest equal to that earned by the Pooled Money Investment Account, in annual payments, commencing in the 2009–10 fiscal year, over a period not to exceed 10 years. The bill would repeal this provision on January 1, 2021.

(2) The bill would express the finding and declaration of the Legislature that, due to the unique circumstances relating to the San Bruno Park School District, a general statute within the meaning of a specified provision of the California Constitution cannot be made applicable, and the enactment of this bill as a special statute is therefore necessary.

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

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

1 SECTION 1. Section ~~17463.6~~ 17463.7 is added to the
2 Education Code, to read:

3 ~~17463.6.~~

4 17463.7. (a) Notwithstanding any other provision of law, the
5 San Bruno Park School District may encumber and expend up to
6 one million four hundred thousand dollars (\$1,400,000) of the
7 proceeds from the sale of the site of the former Carl Sandburg
8 Elementary School for the 2008–09 fiscal year for a one-time
9 General Fund expense consistent with Section 17462 and the
10 regulations adopted by the State Allocation Board pursuant to
11 subdivision (c) of that section relating to the appropriate use of
12 one-time expenditures.

13 (b) In order to encumber funds pursuant to subdivision (a), all
14 of the following conditions shall apply:

15 (1) The district shall restore to its restricted capital outlay
16 account the funds encumbered and expended pursuant to this
17 section, plus interest equal to that earned by the Pooled Money
18 Investment Account, in annual payments, commencing in the
19 2009–10 fiscal year, over a period not to exceed 10 years. Until
20 these funds are restored to the account in full, any remaining funds
21 from the sale of the property shall be exhausted for capital outlay

1 purposes prior to any request for new construction or modernization
2 funding.

3 (2) The district shall use the interest from any funds remaining
4 from the sale of the property in excess of one million four hundred
5 thousand dollars (\$1,400,000) to restore its restricted capital outlay
6 account.

7 (3) The amount of financial hardship assistance that the district
8 is eligible to receive pursuant to Article 8 (commencing with
9 Section 17075.10) of Chapter 12.5 of Part 10 shall be reduced by
10 one million four hundred thousand dollars (\$1,400,000) until the
11 funds encumbered and expended pursuant to subdivision (a) are
12 restored to its restricted capital outlay account.

13 (4) The district shall be ineligible to receive hardship funding
14 from the State School Deferred Maintenance Fund pursuant to
15 Section 17587 for five years after the date upon which the funds
16 authorized to be expended pursuant to subdivision (a) are expended.

17 (5) The governing board of the district shall certify to the State
18 Allocation Board that it has no major deferred maintenance
19 requirements that cannot be completed with existing capital outlay
20 resources.

21 (6) The governing board of the district, at a regularly scheduled
22 meeting, shall adopt a resolution presenting a plan for restoring
23 the funds encumbered and expended pursuant to subdivision (a)
24 to its restricted capital outlay account.

25 (c) This section shall remain in effect only until January 1, 2021,
26 and as of that date is repealed, unless a later enacted statute, that
27 is enacted before January 1, 2021, deletes or extends that date.

28 SEC. 2. The Legislature finds and declares that, due to the
29 unique circumstances relating to the San Bruno Park School
30 District, as set forth in Section 1 of this act, a general statute within
31 the meaning of Section 16 of Article IV of the California
32 Constitution cannot be made applicable, and the enactment of
33 Section 1 of this act as a special statute is therefore necessary.