

AMENDED IN ASSEMBLY APRIL 24, 2012

AMENDED IN ASSEMBLY MARCH 29, 2012

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

**ASSEMBLY BILL**

**No. 2164**

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**Introduced by Assembly Member Dickinson**

February 23, 2012

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An act to amend Section 13332.11 of the Government Code, relating to community college facilities.

LEGISLATIVE COUNSEL'S DIGEST

AB 2164, as amended, Dickinson. Community college facilities.

Existing law generally requires the approval of the Department of Finance and the State Public Works Board before a state agency, including, among others, the California Community Colleges, may expend funds from an appropriation for capital outlay purposes. With respect to the California Community Colleges, this approval is only required for the allocation of state capital outlay funds appropriated by the Legislature.

This bill would exempt from this requirement amounts incurred by a community college district, after the date of final project proposal approval by the Board of Governors of the California Community Colleges. The bill would provide that these amounts may be reimbursed pursuant to ~~an appropriation by the Legislature of funds for preliminary plans, working drawings, and construction and project approval~~ *approval of preliminary plans* by the Department of Finance and the State Public Works Board *and an appropriation by the Legislature of funds for specified project phases. The bill would make these provisions inoperative on January 1, 2018.*

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 13332.11 of the Government Code is  
 2 amended to read:  
 3 13332.11. (a) (1) Except as otherwise specified in paragraph  
 4 (2), no funds appropriated for capital outlay may be expended by  
 5 any state agency, including the University of California, the  
 6 California State University, the California Community Colleges,  
 7 and the Judicial Council until the Department of Finance and the  
 8 State Public Works Board have approved preliminary plans for  
 9 the project to be funded from a capital outlay appropriation.  
 10 (2) Paragraph (1) shall not apply to any of the following:  
 11 (A) Amounts for acquisition of real property in fee, or any other  
 12 lesser interest.  
 13 (B) Amounts for equipment or minor capital outlay projects.  
 14 (C) Amounts appropriated for preliminary plans, surveys, and  
 15 studies.  
 16 (D) (i) Amounts incurred by a community college district, after  
 17 the date of final project proposal approval by the Board of  
 18 Governors of the California Community Colleges. Amounts  
 19 incurred pursuant to this subparagraph may be reimbursed pursuant  
 20 ~~to an appropriation by the Legislature of funds for preliminary~~  
 21 ~~plans, working drawings, and construction and project approval~~  
 22 ~~by the Department of Finance and the State Public Works Board.~~  
 23 *approval of preliminary plans by the Department of Finance and*  
 24 *the State Public Works Board and an appropriation by the*  
 25 *Legislature, in the annual Budget Act or related legislation, of*  
 26 *funds for one or more of the following project phases: preliminary*  
 27 *plans, working drawings, construction, and equipment. Amounts*  
 28 *reimbursed pursuant to this subparagraph shall be subject to the*  
 29 *Legislature’s determination of the appropriate scope and cost of*  
 30 *the project.*  
 31 (ii) *This subparagraph shall be inoperative on January 1, 2018.*  
 32 (b) Notwithstanding subdivision (a), approvals by the State  
 33 Public Works Board and the Department of Finance for the  
 34 University of California and the California Community Colleges  
 35 shall apply only to the allocation of state capital outlay funds

1 appropriated by the Legislature, including land acquisition and  
2 equipment funds.

3 (c) Any appropriated amounts for working drawings or  
4 construction where the working drawings or construction have  
5 been started by any state agency prior to approval of the  
6 preliminary plans by the State Public Works Board shall be reverted  
7 to the fund from which the appropriation was made, as approved  
8 by the Department of Finance. No major project for which a capital  
9 outlay appropriation is made shall be put out to bid until the  
10 working drawings have been approved by the Department of  
11 Finance. No substantial change shall be made to the approved  
12 preliminary plans or approved working drawings without written  
13 approval by the Department of Finance. Any proposed construction  
14 bid alternates shall be approved by the Department of Finance.

15 (d) The Department of Finance shall approve the use of funds  
16 from a capital outlay appropriation for the purchase of any  
17 significant unit of equipment.

18 (e) The State Public Works Board may augment a major project  
19 in an amount of up to 20 percent of the total of the capital outlay  
20 appropriations for the project, irrespective of whether any of those  
21 appropriations have reverted. For projects authorized through  
22 multiple fund sources, including, but not limited to, general  
23 obligation bonds and lease-revenue bonds, to the extent otherwise  
24 permissible, the Department of Finance shall have full authority  
25 to determine which of the fund sources will bear all or part of an  
26 augmentation. The board shall defer all augmentations in excess  
27 of 20 percent of the amount appropriated for each capital outlay  
28 project until the Legislature makes additional funds available for  
29 the specific project.

30 (f) In addition to the powers provided by Section 15849.6, the  
31 State Public Works Board may further increase the additional  
32 amount in Section 15849.6 to include a reasonable construction  
33 reserve within the construction fund for any capital outlay project  
34 without augmenting the project. The amount of the construction  
35 reserve shall be within the 20-percent augmentation limitation.  
36 The board may use this amount to augment the project, when and  
37 if necessary, after the lease-revenue bonds are sold to ensure  
38 completion of the project. Upon completion of the project, any  
39 amount remaining in the construction reserve funds shall be used  
40 to offset rental payments.

1 (g) Augmentations in excess of 10 percent of the amount  
2 appropriated for each capital outlay project shall be reported to  
3 the Chairperson of the Joint Legislative Budget Committee, or his  
4 or her designee, 20 days prior to board approval, or not sooner  
5 than whatever lesser time the chairperson, or his or her designee,  
6 may in each instance determine.

7 (h) (1) The Department of Finance may change the  
8 administratively or legislatively approved scope for major capital  
9 outlay projects.

10 (2) If the Department of Finance changes the approved scope  
11 pursuant to paragraph (1), the department shall report the changes  
12 and associated cost implications to the Chairperson of the Joint  
13 Legislative Budget Committee, the chairpersons of the respective  
14 fiscal committees, and the legislative advisers of the State Public  
15 Works Board 20 days prior to the proposed board action to  
16 recognize the scope change.

17 (i) The State Public Works Board shall defer action with respect  
18 to approval of an acquisition project, when it is determined that  
19 the estimated cost of the total acquisition project, as approved by  
20 the Legislature is in excess of 20 percent of the amount  
21 appropriated, unless it is determined that a lesser portion of the  
22 property is sufficient to meet the objectives of the project approved  
23 by the Legislature, and the Chairperson of the Joint Legislative  
24 Budget Committee, or his or her designee, is provided a 20-day  
25 prior notification of the proposed reductions in the acquisition  
26 project, or whatever lesser period the chairperson, or his or her  
27 designee, may in each instance determine.

28 (j) The Department of Finance shall report to the Chairperson  
29 of the Joint Legislative Budget Committee, the chairpersons of the  
30 respective fiscal committees, and legislative advisers of the State  
31 Public Works Board 20 days prior to the proposed board approval  
32 of preliminary plans when it is determined that the estimated cost  
33 of the total capital outlay construction project is in excess of 20  
34 percent of the amount recognized by the Legislature.

35 (k) Nothing in this section shall be construed to limit or control  
36 the Department of Transportation or the California Exposition and  
37 State Fair in the expenditure of all funds appropriated to the  
38 department for capital outlay purposes.

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