An act to amend Sections 17070.15, 17070.40, 17070.75, 17072.35, 17074.25, 17074.26, and 17592.70 of, to add Sections 17071.15, 17072.40, and 17073.16 to, to add Part 70 (commencing with Section 101100) to Division 14 of Title 3 of, to add and repeal Section 17254 of, and to repeal Sections 17070.99, 17071.33, 17071.35, and 17071.40 of, the Education Code, relating to education facilities, and by providing the funds necessary therefor through an election for the issuance and sale of bonds of the State of California and for the handling and disposition of those funds.

LEGISLATIVE COUNSEL'S DIGEST


(1) Existing law, the Leroy F. Greene School Facilities Act of 1998, requires the State Allocation Board to allocate to applicant school districts prescribed per-unhoused-pupil state funding for construction and modernization of school facilities, including hardship funding, and supplemental funding for site development and acquisition. This bill would revise the definition of modernization under the act to include the replacement of facilities on a site containing a permanent structure that is at least 25 years old or, in the case of a portable classroom, that is at least 20 years old, as specified.

The bill would reduce the minimum amount that an applicant school district under the act must set aside for ongoing and major maintenance of school buildings from 3% to 2% of the total general fund expenditures of that district in a fiscal year.
The bill would delete a provision requiring the State Allocation Board to conduct an evaluation of the cost of new construction and modernization of small high schools in conjunction with a specified pilot program. The bill would require each school district that elects to participate in a new construction or modernization program to reestablish eligibility, as specified, and to conduct an inventory of existing facilities for purposes of maintaining a statewide school facilities inventory. The bill would authorize a grant for new construction or modernization under the act to be used for seismic mitigation purposes and for related design, study, and testing costs, and require the State Allocation Board, in the development of guidelines and regulations, to provide a school district with maximum flexibility in the design, modernization, and new construction of school facilities. The bill would require the Office of Public School Construction to recommend regulations to the State Allocation Board to provide school districts with flexibility in designing instructional facilities. The bill would require the State Department of Education, the Division of the State Architect, the Office of Public School Construction, and the Department of Toxic Substances Control to convene for purposes of developing an interagency plan to streamline the school facilities construction application, review, and audit processes in order to reduce the time and improve the efficiency of the school facilities construction process. The bill would require that this interagency plan be submitted to the Legislature on or before July 1, 2017. (2) Existing law, the California Constitution, prohibits the Legislature from creating a debt or liability that singly or in the aggregate with any previous debts or liabilities exceeds the sum of $300,000, except by an act that (a) authorizes the debt for a single object or work specified in the act, (b) has been passed by a \( \frac{2}{3} \) vote of all the members elected to each house of the Legislature, (c) has been submitted to the people at a statewide general or primary election, and (d) has received a majority of all the votes cast for and against it at that election.

This bill would enact the Kindergarten-University Public Education Facilities Bond Act of 2016 to authorize an unspecified amount of state general obligation bonds, as scheduled, to provide aid to school districts, county superintendents of schools, county boards of education, charter schools, the California Community Colleges, the University of California, the Hastings College of the Law, and the California State University to construct and modernize education facilities. The proceeds
of these bonds would be deposited in the 2016 State School Facilities Fund, the 2016 California Community College Capital Outlay Bond Fund, and the 2016 University Capital Outlay Bond Fund, which the bill would establish as specified.

The proposed bond act would become operative only if approved by the voters at the November 8, 2016, statewide general election, and the bill would provide for its submission to the voters at that election.

(3) This bill would specify that certain of its provisions would become operative only if the Kindergarten-University Public Education Facilities Bond Act of 2016 is approved by the voters at the November 8, 2016, statewide general election.

(4) This bill would make conforming and nonsubstantive changes in related provisions of existing law.

Vote: \( \frac{2}{3} \). Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

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

SECTION 1. Section 17070.15 of the Education Code is amended to read:

17070.15. The following terms, wherever used or referred to in this chapter, shall have the following meanings, respectively, unless a different meaning appears from the context:

(a) “Apportionment” means a reservation of funds for the purpose of eligible new construction, modernization, or hardship approved by the board for an applicant school district.

(b) “Attendance area” means the geographical area serving an existing high school and those junior high schools and elementary schools included therein.

(c) “Board” means the State Allocation Board as established by Section 15490 of the Government Code.

(d) “Committee” means the State School Building Finance Committee established pursuant to Section 15909.

(e) “County fund” means a county school facilities fund established pursuant to Section 17070.43.

(f) “Department” means the Department of General Services.

(g) “Fund” means the applicable 1998 State School Facilities Fund, the 2002 State School Facilities Fund, or the 2004 State School Facilities Fund, the 2006 State School Facilities Fund, or
the 2016 State School Facilities Fund, established pursuant to Section 17070.40.

(h) “Good repair” has the same meaning as specified in subdivision (d) of Section 17002.

(i) “Modernization” means any modification or replacement of a permanent structure that is at least 25 years old, or, in the case of a portable classroom, that is at least 20 years old, that will enhance the ability of the structure to achieve educational purposes.

(j) “Portable classroom” means a classroom building of one or more stories that is designed and constructed to be relocatable and transportable over public streets, and with respect to a single story portable classroom, is designed and constructed for relocation without the separation of the roof or floor from the building and when measured at the most exterior walls, has a floor area not in excess of 2,000 square feet.

(k) “Property” includes all property, real, personal or mixed, tangible or intangible, or any interest therein necessary or desirable for carrying out the purposes of this chapter.

(l) “School building capacity” means the capacity of a school building to house pupils.

(m) “School district” means a school district or a county office of education. For purposes of determining eligibility under this chapter, “school district” may also mean a high school attendance area.

SEC. 2. Section 17070.40 of the Education Code is amended to read:

17070.40. (a) (1) A fund is hereby established in the State
Treasury, to be known as the 1998 State School Facilities Fund. All money in the fund, including any money deposited in that fund from any source whatsoever, and notwithstanding Section 13340 of the Government Code, is hereby continuously appropriated without regard to fiscal years for expenditure pursuant to this chapter.

(2) The board may apportion funds to school districts for the purposes of this chapter from funds transferred to the 1998 State School Facilities Fund from any source.

(3) The board may make apportionments in amounts not exceeding those funds on deposit in the 1998 State School Facilities Fund, and any amount of bonds authorized by the committee, but not yet sold by the Treasurer.
(4) The board may make disbursements pursuant to any apportionment made from any funds in the 1998 State School Facilities Fund, irrespective of whether there exists at the time of the disbursement an amount in the 1998 State School Facilities Fund sufficient to permit payment in full of all apportionments previously made. However, no disbursement shall be made from any funds required by law to be transferred to the General Fund.

(b) (1) A fund is hereby established in the State Treasury, to be known as the 2002 State School Facilities Fund. All money in the fund, including any money deposited in that fund from any source whatsoever, and notwithstanding Section 13340 of the Government Code, is hereby continuously appropriated without regard to fiscal years for expenditure pursuant to this chapter.

(2) The board may apportion funds to school districts for the purposes of this chapter from funds transferred to the 2002 State School Facilities Fund from any source.

(3) The board may make apportionments in amounts not exceeding those funds on deposit in the 2002 State School Facilities Fund, and any amount of bonds authorized by the committee, but not yet sold by the Treasurer.

(4) The board may make disbursements pursuant to any apportionment made from any funds in the 2002 State School Facilities Fund, irrespective of whether there exists at the time of the disbursement an amount in the 2002 State School Facilities Fund sufficient to permit payment in full of all apportionments previously made. However, no disbursement shall be made from any funds required by law to be transferred to the General Fund.

(c) (1) A fund is hereby established in the State Treasury, to be known as the 2004 State School Facilities Fund. All money in the fund, including any money deposited in that fund from any source whatsoever, and notwithstanding Section 13340 of the Government Code, is hereby continuously appropriated without regard to fiscal years for expenditure pursuant to this chapter.

(2) The board may apportion funds to school districts for the purposes of this chapter from funds transferred to the 2004 State School Facilities Fund from any source.

(3) The board may make apportionments in amounts not exceeding those funds on deposit in the 2004 State School Facilities
Fund, and any amount of bonds authorized by the committee, but not yet sold by the Treasurer.

(4) The board may make disbursements pursuant to any apportionment made from any funds in the 2004 State School Facilities Fund, irrespective of whether there exists at the time of the disbursement an amount in the 2004 State School Facilities Fund sufficient to permit payment in full of all apportionments previously made. However, no disbursement shall be made from any funds required by law to be transferred to the General Fund.

(d) (1) A fund is hereby established in the State Treasury, to be known as the 2006 State School Facilities Fund. All money in the fund, including any money deposited in that fund from any source whatsoever, and notwithstanding Section 13340 of the Government Code, is hereby continuously appropriated without regard to fiscal years for expenditure pursuant to this chapter.

(2) The board may apportion funds to school districts for the purposes of this chapter from funds transferred to the 2006 State School Facilities Fund from any source.

(3) The board may make apportionments in amounts not exceeding those funds on deposit in the 2006 State School Facilities Fund, and any amount of bonds authorized by the committee, but not yet sold by the Treasurer.

(4) The board may make disbursements pursuant to any apportionment made from any funds in the 2006 State School Facilities Fund, irrespective of whether there exists at the time of the disbursement an amount in the 2006 State School Facilities Fund sufficient to permit payment in full of all apportionments previously made. However, no disbursement shall be made from any funds required by law to be transferred to the General Fund.

(e) (1) A fund is hereby established in the State Treasury, to be known as the 2016 State School Facilities Fund. All money in the fund, including any money deposited in that fund from any source whatsoever, and notwithstanding Section 13340 of the Government Code, is hereby continuously appropriated without regard to fiscal years for expenditure pursuant to this chapter.

(2) The board may apportion funds to school districts for the purposes of this chapter from funds transferred to the 2016 State School Facilities Fund from any source.

(3) The board may make apportionments in amounts not exceeding those funds on deposit in the 2016 State School Facilities Fund.
Fund, and any amount of bonds authorized by the committee, but not yet sold by the Treasurer.

(4) The board may make disbursements pursuant to any apportionment made from any funds in the 2016 State School Facilities Fund, irrespective of whether there exists at the time of the disbursement an amount in the 2016 State School Facilities Fund sufficient to permit payment in full of all apportionments previously made. However, no disbursement shall be made from any funds required by law to be transferred to the General Fund.

SEC. 3. Section 17070.75 of the Education Code is amended to read:

17070.75. (a) As a condition of participation in the school facilities program, the board shall require the school district to make all necessary repairs, renewals, and replacements to ensure that a project is at all times maintained in good repair, working order, and condition. All costs incurred for this purpose shall be borne by the school district.

(b) In order to ensure compliance with subdivision (a) and to encourage school districts to maintain all buildings under their control, the board shall require an applicant school district to do all of the following prior to the approval of a project:

(1) Establish a restricted account within the general fund of the school district for the exclusive purpose of providing moneys for ongoing and major maintenance of school buildings, according the highest priority to funding for the purposes set forth in subdivision (a).

(2) (A) Agree to deposit into the account established pursuant to paragraph (1), in each fiscal year for 20 years after receipt of funds under this chapter, a minimum amount equal to or greater than 2 percent of the total general fund expenditures of the applicant school district, including other financing uses, for that fiscal year. Annual deposits to the account established pursuant to paragraph (1) in excess of 2 1/2 percent of the school district general fund budget may count towards the amount of funds required to be contributed by a school district in order to receive apportionments from the State School Deferred Maintenance Fund pursuant to Section 17584 to the extent that those funds are used for purposes that qualify for funding under that section.

(B) Notwithstanding subparagraph (A), for the 2004–05 fiscal year only, an applicant school district shall deposit into the account...
established pursuant to paragraph (1), no less than 2 percent of the
total general fund expenditures of the school district, including
other financing uses, for the fiscal year. The annual deposit to the
account in excess of 1 1/2 percent of the school district general fund
budget for the 2004–05 fiscal year may count towards the amount
that a school district is required to contribute in order to receive
apportionments from the State School Deferred Maintenance Fund
pursuant to Section 17584 to the extent that those funds are used
for purposes that qualify for funding under that section.

(C) A school district contribution to the account may be provided
in lieu of meeting the ongoing maintenance requirements pursuant
to Section 17014 to the extent the funds are used for purposes
established in that section. A school district that serves as the
administrative unit for a special education local plan area may
elect to exclude from its total general fund expenditures, for
purposes of this paragraph, the distribution of revenues that are
passed through to participating members of the special education
local plan area.

(D) This paragraph applies only to the following school districts:
(i) High school districts with an average daily attendance greater
than 300 pupils.
(ii) Elementary school districts with an average daily attendance
greater than 900 pupils.
(iii) Unified school districts with an average daily attendance
greater than 1,200 pupils.
(3) Certify that it has publicly approved an ongoing and major
maintenance plan that outlines the use of the funds deposited, or
to be deposited, pursuant to paragraph (2). The plan may provide
that the school district need not expend all of its annual allocation
for ongoing and major maintenance in the year in which it is
deposited if the cost of major maintenance requires that the
allocation be carried over into another fiscal year. However, any
state funds carried over into a subsequent year may not be counted
toward the annual minimum contribution by the school district. A
plan developed in compliance with this section shall be deemed
to meet the requirements of Section 17585.
(c) A school district to which paragraph (2) of subdivision (b) does not apply shall certify to the board that it can reasonably maintain its facilities with a lesser level of maintenance.

(d) For purposes of calculating a county office of education requirement pursuant to this section, the 3.2 percent maintenance requirement shall be based upon the county office of education general fund less any restricted accounts.

(e) As a condition of participation in the school facilities program or the receipt of funds pursuant to Section 17582, for a fiscal year after the 2004–05 fiscal year, a school district shall establish a facilities inspection system to ensure that each of its schools is maintained in good repair.

(f) For purposes of this section, “good repair” has the same meaning as specified in subdivision (d) of Section 17002.

SEC. 4. Section 17070.99 of the Education Code is repealed.

17070.99. (a) The board shall conduct an evaluation on the cost of new construction and modernization of small high schools in conjunction with the pilot program established pursuant to subdivision (c) of Section 17072.10, as it read on January 1, 2005.

(b) The State Department of Education shall conduct an evaluation that focuses on pupil outcomes, including, but not limited to, academic achievement and college attendance rates, at the small high schools constructed pursuant to subdivision (c) of Section 17072.10, as it read on January 1, 2005, and on the reasons school districts do not currently opt to build small high schools.

(c) The evaluations required pursuant to subdivisions (a) and (b) shall be completed no later than two years after the opening of the last small high school constructed pursuant to subdivision (c) of Section 17072.10, as it read on January 1, 2005.

(d) The evaluations conducted pursuant to subdivisions (a) and (b) shall be used to inform the direction of future school facilities construction and related bond measures.

SEC. 5. Section 17071.15 is added to the Education Code, to read:

17071.15. Notwithstanding Section 17071.10, the board shall require a school district that elects to participate in the new construction program to conduct an inventory of existing facilities
and submit this information to the board, as prescribed by the board, for purposes of maintaining a statewide school facilities inventory.

SEC. 6. Section 17071.33 of the Education Code is repealed.

17071.33. (a) For the purposes of determining existing school building capacity, the calculation shall be adjusted as required for first priority status pursuant to Section 17017.7 as that calculation would have been made under the policies of the board in effect immediately preceding September 1, 1998.

(b) Notwithstanding subdivision (a), with respect to a high school district, the existing school building capacity shall be calculated without regard to multitrack year-round school considerations.

SEC. 7. Section 17071.35 of the Education Code is repealed.

17071.35. Notwithstanding any other provisions of law, the maximum school building capacity for each applicant district shall be increased by the number of pupils reported by the Superintendent of Public Instruction for that grade level pursuant to Section 42268. This adjustment shall be calculated on the basis; at the district’s option, of either the district as a whole or the appropriate attendance area.

SEC. 8. Section 17071.40 of the Education Code is repealed.

17071.40. Each school on a year-round, multitrack calendar that has a density of 200 or more pupils enrolled per acre, that is located in a school district with 40 percent of its pupils attending multitrack, year-round schools shall be exempted from the increase in school building capacity required by Section 17071.35. Nothing in this section shall be construed as exempting the school from the requirements of Section 17071.33.

SEC. 9. Section 17072.35 of the Education Code is amended to read:

17072.35. (a) (1) A grant for new construction may be used for any and all costs necessary to adequately house new pupils in any approved project, and those costs may only include the cost of design, engineering, testing, inspection, plan checking, construction management, site acquisition and development, evaluation and response action costs relating to hazardous substances at a new or existing schoolsite, demolition, construction, acquisition and installation of portable classrooms, landscaping, necessary utility costs, utility connections and other fees, equipment
including telecommunication equipment to increase school security, furnishings, and the upgrading of electrical systems or the wiring or cabling of classrooms in order to accommodate educational technology. A grant for new construction may also be used to acquire an existing government or privately owned building, or a privately financed school building, and for the necessary costs of converting the government or privately owned building for public school use. A grant for new construction may also be used for the costs of designs and materials that promote the efficient use of energy and water, the maximum use of natural lighting and indoor air quality, the use of recycled materials and materials that emit a minimum of toxic substances, the use of acoustics conducive to teaching and learning, and other characteristics of high performance schools. A grant for new construction may be used for seismic mitigation purposes and for related design, study, and testing costs.

(2) An applicant who receives a new construction grant shall ensure that the project incorporates designs and materials that promote the efficient use of energy and water, the maximum use of natural lighting and indoor air quality, the use of recycled materials and materials that emit a minimum of toxic substances, the use of acoustics conducive to teaching and learning, and other characteristics of high performance schools.

(b) In the development of guidelines and regulations, the board shall provide a school district with maximum flexibility in the design and new construction of school facilities.

SEC. 10. Section 17072.40 is added to the Education Code, to read:

17072.40. The Office of Public School Construction, in consultation with the State Department of Education, shall recommend to the board regulations that will provide school districts with flexibility in designing instructional facilities. These recommendations shall propose revisions to any regulations that limit the ability of school districts to use new construction grants to construct instructional space approved by the State Department of Education. The proposed revisions shall ensure that a school district has the ability to design a facility that provides a flexible learning environment, provides for the integration and use of technology, and serves as an instructional space and learning environment that supports and enhances the educational delivery process.
SEC. 11. Section 17073.16 is added to the Education Code, to read:

17073.16. The board shall require a school district that elects to participate in the modernization program to conduct an inventory of existing facilities and submit this information to the board, as prescribed by the board, for purposes of maintaining a statewide school facilities inventory.

SEC. 12. Section 17074.25 of the Education Code is amended to read:

17074.25. (a) (1) A modernization apportionment may be used for an improvement to extend the useful life of, or to enhance the physical environment of, the school. The improvement may only include the cost of design, engineering, testing, inspection, plan checking, construction management, demolition, construction, the replacement of portable classrooms, necessary utility costs, utility connection and other fees, the purchase and installation of air-conditioning equipment and insulation materials and related costs, furniture and equipment, including telecommunication equipment to increase school security, fire safety improvements, playground safety improvements, the identification, assessment, or abatement of hazardous asbestos, seismic safety improvements, and the upgrading of electrical systems or the wiring or cabling of classrooms in order to accommodate educational technology. A modernization grant may not be used for costs associated with acquisition and development of real property or for routine maintenance and repair.

(b) (2) A modernization apportionment may also be used for the either of the following:

(A) The cost of designs and materials that promote the efficient use of energy and water, the maximum use of natural lighting and indoor air quality, the use of recycled materials and materials that emit a minimum of toxic substances, the use of acoustics conducive to teaching and learning, and other characteristics of high-performance schools.

(B) Seismic mitigation purposes and related design, study, and testing costs.

(3) An applicant that receives a modernization apportionment shall ensure that the project incorporates designs and materials that promote the efficient use of energy and water, the maximum
use of natural lighting and indoor air quality, the use of recycled
materials and materials that emit a minimum of toxic substances,
the use of acoustics conducive to teaching and learning, and other
characteristics of high-performance schools.
(b) In the development of guidelines and regulations, the board
shall provide a school district with maximum flexibility in the
design and modernization of school facilities.
(c) (1) A modernization apportionment may also be used to
demolish and construct a building or buildings on an existing
schoolsite if the total cost of providing a new school building,
including land, on a new site would not protect the economic
interest of the state and school district.
(2) A project deemed to meet the requirements of paragraph
(1) shall be eligible for a grant equal to the grant provided under
Section 17072.10.
(d) The board shall establish additional requirements it deems
necessary to ensure that the economic interests of the state and
the educational interests of the children of the state are protected.
SEC. 13. Section 17074.26 of the Education Code is amended
to read:
17074.26. The board shall adopt regulations to adjust the
per-pupil amounts set forth in Section 17074.14 for
modernization projects for school buildings that are 50 years old
or older based upon the higher costs associated with modernizing
older buildings.
SEC. 14. Section 17254 is added to the Education Code, to
read:
17254. (a) The State Department of Education, the Division
of the State Architect, the Office of Public School Construction,
and the Department of Toxic Substances Control shall convene
for purposes of developing an interagency plan to streamline the
school facility construction application, review, and audit processes
in order to reduce the time and improve the efficiency of the school
facilities construction process.
(b) The interagency plan developed pursuant to subdivision (a)
shall be submitted to the Legislature, in accordance with Section
9795 of the Government Code, on or before July 1, 2017.
(c) It is the intent of the Legislature that operative regulatory
language adopted by the State Allocation Board before the effective
date of this section be reviewed and revised before July 1, 2016,
to ensure that the School Facility Program is being implemented
in a manner that reduces duplicative processes for the review,
approval, and audit of school facility new construction and
modernization projects.

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

SEC. 15. Section 17592.70 of the Education Code is amended
to read:

17592.70. (a) There is hereby established the School Facilities
Needs Assessment Grant Program with the purpose to provide for
a one-time comprehensive assessment of school facilities needs.
The grant program shall be administered by the State Allocation
Board.

(b) (1) The grants shall be awarded to school districts on behalf
of schoolsites ranked in deciles 1 to 3, inclusive, on the Academic
Performance Index (API), pursuant to Section 52056, based on
the 2003 base API score for each school newly constructed prior
to January 1, 2000.

(2) For purposes of this section, schools ranked in deciles 1 to
3, inclusive, on the 2003 base API shall include any schools
determined by the department to meet either of the following:

(A) The school meets all of the following criteria:

(i) Does not have a valid base API score for 2003.

(ii) Is operating in fiscal year 2004–05 and was
operating in fiscal year 2003–04 during the Standardized
Testing and Reporting (STAR) Program testing period.

(iii) Has a valid base API score for 2002 that was ranked in
deciles 1 to 3, inclusive, in that year.

(B) The school has an estimated base API score for 2003 that
would be in deciles 1 to 3, inclusive.

(3) The department shall estimate an API score for any school
meeting the criteria of clauses (i) and (ii) of subparagraph (A) of
paragraph (2) and not meeting the criteria of clause (iii) of
subparagraph (A) of paragraph (2), using available testing scores
and any weighting or corrective factors it deems appropriate. The
department shall provide those API scores to the Office of Public
School Construction and post them on its Internet Web site within
30 days of the enactment of this section.
(4) For purposes of this section, schools ranked in deciles 1 to 3, inclusive, on the 2003 base API shall exclude any schools determined by the department to be operated by county offices of education pursuant to Section 56140.

(c) The board shall allocate funds pursuant to subdivision (b) to school districts with jurisdiction over eligible schoolsites, based on ten dollars ($10) per pupil enrolled in the eligible school as of October 2003, with a minimum allocation of seven thousand five hundred dollars ($7,500) for each schoolsite.

(d) As a condition of receiving funds pursuant to this section, school districts shall do all of the following:

1. Use the funds to develop a comprehensive needs assessment of all schoolsites eligible for grants pursuant to subdivision (b).
   The assessment shall contain, at a minimum, all of the following information for each schoolsite:
   
   (A) The year each building that is currently used for instructional purposes was constructed.
   (B) The year, if any, each building that is currently used for instructional purposes was last modernized.
   (C) The pupil capacity of the school.
   (D) The number of pupils enrolled in the school.
   (E) The density of the school campus measured in pupils per acre.
   (F) The total number of classrooms at the school.
   (G) The age and number of portable classrooms at the school.
   (H) Whether the school is operating on a multitrack, year-round calendar, and, if so, what type.
   (I) Whether the school has a cafeteria, or an auditorium or other space used for pupil eating and not for class instruction.
   (J) The useful life remaining of all major building systems for each structure housing instructional space, including, but not limited to, sewer, water, gas, electrical, roofing, and fire and life safety protection.
   (K) The estimated costs for five years necessary to maintain functionality of each instructional space to maintain health, safety, and a suitable learning environment, as applicable, including classroom, counseling areas, administrative space, libraries, gymnasiums, multipurpose and dining space, and the accessibility to those spaces.
   (L) A list of necessary repairs.
(2) Use the data currently filed with the state as part of the process of applying for and obtaining modernization or construction funds for school facilities, or information that is available in the California Basic Education Data System for the element required in subparagraphs (D), (E), (F), and (G) of paragraph (1).

(3) Use the assessment as the baseline for the facilities inspection system required pursuant to subdivision (d) of Section 17070.75.

(4) Provide the results of the assessment to the Office of Public School Construction, including a report on the expenditures made in performing the assessment. It is the intent of the Legislature that the assessments be completed as soon as possible, but not later than January 1, 2006.

(5) If a school district does not need the full amount of the allocation it receives pursuant to this section, the school district shall expend the remaining funds for making facilities repairs identified in its needs assessment. The school district shall report to the Office of Public School Construction on the repairs completed pursuant to this paragraph and the cost of the repairs.

(6) Submit to the Office of Public School Construction an interim report regarding the progress made by the school district in completing the assessments of all eligible schools.

SEC. 16. Part 70 (commencing with Section 101100) is added to Division 14 of Title 3 of the Education Code, to read:

PART 70. KINDERGARTEN-UNIVERSITY PUBLIC EDUCATION FACILITIES BOND ACT OF 2016

Chapter 1. General

101100. This part shall be known, and may be cited, as the Kindergarten-University Public Education Facilities Bond Act of 2016.

101101. The incorporation of, or reference to, any provision of California statutory law in this part includes all acts amendatory thereof and supplementary thereto.

101102. (a) Bonds in the total amount of $____, not including the amount of any refunding bonds issued in accordance with Sections 101130, 101139, and 101159, or so much thereof as is necessary, may be issued and sold to provide a fund
to be used for carrying out the purposes expressed in this part and to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code. The bonds, when sold, shall be and constitute a valid and binding obligation of the State of California, and the full faith and credit of the State of California is hereby pledged for the punctual payment of the principal of, and interest on, the bonds as the principal and interest become due and payable.

(b) Pursuant to this section, the Treasurer shall sell the bonds authorized by the State School Building Finance Committee established by Section 15909 or the Higher Education Facilities Finance Committee established pursuant to Section 67353, as the case may be, at any different times necessary to service expenditures required by the apportionments.

Chapter 2. Kindergarten Through 12th Grade


101110. The proceeds of bonds issued and sold pursuant to Article 2 (commencing with Section 101120) shall be deposited in the 2016 State School Facilities Fund established in the State Treasury under subdivision (e) of Section 17070.40, and shall be allocated by the State Allocation Board pursuant to this chapter.

101111. All moneys deposited in the 2016 State School Facilities Fund for the purposes of this chapter shall be available to provide aid to school districts, county superintendents of schools, and county boards of education of the state in accordance with the Leroy F. Greene School Facilities Act of 1998 (Chapter 12.5 (commencing with Section 17070.10) of Part 10 of Division 1 of Title 1), as set forth in Section 101112, to provide funds to repay any money advanced or loaned to the 2016 State School Facilities Fund under any act of the Legislature, together with interest provided for in that act, and to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code.

101112. (a) The proceeds from the sale of bonds, issued and sold for the purposes of this chapter, shall be allocated in accordance with the following schedule:
The amount of ____ dollars ($____) for new construction of school facilities of applicant school districts under Chapter 12.5 (commencing with Section 17070.10) of Part 10 of Division 1 of Title 1.

(2) The amount of ____ dollars ($____) for the modernization of school facilities pursuant to Chapter 12.5 (commencing with Section 17070.10) of Part 10 of Division 1 of Title 1.

(3) Of the amount allocated in this subdivision, up to 5 percent shall be available for providing facilities to charter schools pursuant to Article 12 (commencing with Section 17078.52) of Chapter 12.5 of Part 10 of Division 1 of Title 1.

(b) School districts may use funds allocated pursuant to paragraph (2) of subdivision (a) only for one or more of the following purposes in accordance with Chapter 12.5 (commencing with Section 17070.10) of Part 10 of Division 1 of Title 1:

1. The purchase and installation of air-conditioning equipment and insulation materials, and related costs.

2. Construction projects or the purchase of furniture or equipment designed to increase school security or playground safety.

3. The identification, assessment, or abatement in school facilities of hazardous asbestos.

4. Project funding for high-priority roof replacement projects.

5. Any other modernization of facilities pursuant to Chapter 12.5 (commencing with Section 17070.10) of Part 10 of Division 1 of Title 1.

(c) Funds allocated pursuant to paragraph (1) of subdivision (a) may also be utilized to provide new construction grants for eligible applicant county boards of education under Chapter 12.5 (commencing with Section 17070.10) of Part 10 of Division 1 of Title 1 for funding classrooms for severely handicapped pupils, or for funding classrooms for county community school pupils.

101113. The board shall assign priority for funding under this chapter to applicant school districts that demonstrate participation in a community-based effort to coordinate educational, developmental, family, health, and other comprehensive services by engaging in public and private partnerships with local public entities and other nonprofit or private community partners. Criteria that demonstrate this participation shall include all of the following:
(a) Institutionalized structures for cross-agency collaboration, including, but not limited to, memoranda of understanding to coordinate activities and services.

(b) Agreements for joint use and operations of school facilities that provide for extended hours of use for pupils, families, and the community, integration of libraries, early childhood education, child care centers, senior centers, outdoor recreation or environmental education, arts education, and career technical education and adult education offerings for pupils and community members.

(c) Participation in the State Community Schools Network.

(d) Participation in technical assistance and training, including professional development, for full-service community schools.

(e) Certification that the district’s school facilities master plan is consistent with the regional sustainable communities strategy established pursuant to Section 65080 of the Government Code.


101120. (a) Of the total amount of bonds authorized to be issued and sold pursuant to Chapter 1 (commencing with Section 101100), bonds in the amount of ____ dollars ($____), not including the amount of any refunding bonds issued in accordance with Section 101130, or so much thereof as is necessary, may be issued and sold to provide a fund to be used for carrying out the purposes expressed in this chapter and to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code. The bonds, when sold, shall be and constitute a valid and binding obligation of the State of California, and the full faith and credit of the State of California is hereby pledged for the punctual payment of the principal of, and interest on, the bonds as the principal and interest become due and payable.

(b) Pursuant to this section, the Treasurer shall sell the bonds authorized by the State School Building Finance Committee established pursuant to Section 15909 at any different times necessary to service expenditures required by the apportionments.

101121. The State School Building Finance Committee, established by Section 15909 and composed of the Governor, the
Controller, the Treasurer, the Director of Finance, and the
Superintendent, or their designated representatives, all of whom
shall serve on the committee without compensation, and a majority
of whom shall constitute a quorum, is continued in existence for
the purpose of this chapter. The Treasurer shall serve as chairperson
of the committee. Two Members of the Senate appointed by the
Senate Committee on Rules, and two Members of the Assembly
appointed by the Speaker of the Assembly, shall meet with and
provide advice to the committee to the extent that the advisory
participation is not incompatible with their respective positions as
Members of the Legislature. For purposes of this chapter, the
Members of the Legislature shall constitute an interim investigating
committee on the subject of this chapter and, as that committee,
shall have the powers granted to, and duties imposed upon, those
committees by the Joint Rules of the Senate and the Assembly.
The Director of Finance shall provide assistance to the committee
as it may require. The Attorney General of the state is the legal
advisor of the committee.

101122. (a) The bonds authorized by this chapter shall be
prepared, executed, issued, sold, paid, and redeemed as provided
in the State General Obligation Bond Law (Chapter 4 (commencing
with Section 16720) of Part 3 of Division 4 of Title 2 of the
Government Code), and all of the provisions of that law, except
Section 16727 of the Government Code to the extent that it
conflicts with this part, apply to the bonds and to this chapter and
are hereby incorporated into this chapter as though set forth in full
within this chapter.
(b) For purposes of the State General Obligation Bond Law, the
State Allocation Board is designated the “board” for purposes of
administering the 2016 State School Facilities Fund.

101123. (a) Upon request of the State Allocation Board, the
State School Building Finance Committee shall determine whether
or not it is necessary or desirable to issue bonds authorized pursuant
to this chapter in order to fund the apportionments and, if so, the
amount of bonds to be issued and sold. Successive issues of bonds
may be authorized and sold to fund those apportionments
progressively, and it is not necessary that all of the bonds
authorized to be issued be sold at any one time.
(b) A request of the State Allocation Board pursuant to
subdivision (a) shall be supported by a statement of the
1 apportionments made and to be made for the purposes described
2 in Sections 101111 and 101112.
3 101124. There shall be collected each year and in the same
4 manner and at the same time as other state revenue is collected,
5 in addition to the ordinary revenues of the state, a sum in an amount
6 required to pay the principal of, and interest on, the bonds each
7 year. It is the duty of all officers charged by law with any duty in
8 regard to the collection of the revenue to do and perform each and
9 every act that is necessary to collect that additional sum.
10 101125. Notwithstanding Section 13340 of the Government
11 Code, there is hereby appropriated from the General Fund in the
12 State Treasury, for the purposes of this chapter, an amount that
13 will equal the total of the following:
14 (a) The sum annually necessary to pay the principal of, and
15 interest on, bonds issued and sold pursuant to this chapter, as the
16 principal and interest become due and payable.
17 (b) The sum necessary to carry out Section 101128, appropriated
18 without regard to fiscal years.
19 101126. The State Allocation Board may request the Pooled
20 Money Investment Board to make a loan from the Pooled Money
21 Investment Account or any other approved form of interim
22 financing, in accordance with Section 16312 of the Government
23 Code, for the purpose of carrying out this chapter. The amount of
24 the request shall not exceed the amount of the unsold bonds that
25 the committee, by resolution, has authorized to be sold for the
26 purpose of carrying out this chapter. The board shall execute any
27 documents required by the Pooled Money Investment Board to
28 obtain and repay the loan. Any amounts loaned shall be deposited
29 in the fund to be allocated by the board in accordance with this
30 chapter.
31 101127. Notwithstanding any other provision of this chapter,
32 or of the State General Obligation Bond Law, if the Treasurer sells
33 bonds pursuant to this chapter that include a bond counsel opinion
34 to the effect that the interest on the bonds is excluded from gross
35 income for federal tax purposes, subject to designated conditions,
36 the Treasurer may maintain separate accounts for the investment
37 of bond proceeds and for the investment earnings on those
38 proceeds. The Treasurer may use or direct the use of those proceeds
39 or earnings to pay any rebate, penalty, or other payment required
40 under federal law or take any other action with respect to the
investment and use of those bond proceeds required or desirable under federal law to maintain the tax-exempt status of those bonds and to obtain any other advantage under federal law on behalf of the funds of this state.

101128. For purposes of carrying out this chapter, the Director of Finance may authorize the withdrawal from the General Fund of an amount not to exceed the amount of the unsold bonds that have been authorized by the State School Building Finance Committee to be sold for the purpose of carrying out this chapter. Any amounts withdrawn shall be deposited in the 2016 State School Facilities Fund consistent with this chapter. Any money made available under this section shall be returned to the General Fund, plus an amount equal to the interest that the money would have earned in the Pooled Money Investment Account, from proceeds received from the sale of bonds for the purpose of carrying out this chapter.

101129. All money deposited in the 2016 State School Facilities Fund that is derived from premium and accrued interest on bonds sold shall be reserved in the fund, and shall be available for transfer to the General Fund as a credit to expenditures for bond interest.

101130. The bonds may be refunded in accordance with Article 6 (commencing with Section 16780) of Chapter 4 of Part 3 of Division 4 of Title 2 of the Government Code, which is a part of the State General Obligation Bond Law. Approval by the voters of the state for the issuance of the bonds described in this chapter includes the approval of the issuance of any bonds issued to refund any bonds originally issued under this chapter or any previously issued refunding bonds.

101131. The Legislature hereby finds and declares that, inasmuch as the proceeds from the sale of bonds authorized by this chapter are not “proceeds of taxes” as that term is used in Article XIII B of the California Constitution, the disbursement of these proceeds is not subject to the limitations imposed by that article.
Chapter 3. California Community College Facilities

Article 1. General

101132. (a) The 2016 California Community College Capital Outlay Bond Fund is hereby established in the State Treasury for deposit of funds from the proceeds of bonds issued and sold for the purposes of this chapter.

(b) The Higher Education Facilities Finance Committee established pursuant to Section 67353 is hereby authorized to create a debt or debts, liability or liabilities, of the State of California pursuant to this chapter for the purpose of providing funds to aid the California Community Colleges.

Article 2. California Community College Facilities Program Provisions

101133. (a) From the proceeds of bonds issued and sold pursuant to Article 3 (commencing with Section 101134), the sum of ____ dollars ($____) shall be deposited in the 2016 California Community College Capital Outlay Bond Fund for the purposes of this article. When appropriated, these funds shall be available for expenditure for the purposes of this article.

(b) The purposes of this article include assisting in meeting the capital outlay financing needs of the California Community Colleges.

(c) Proceeds from the sale of bonds issued and sold for the purposes of this article may be used to fund construction on existing campuses, including the construction of buildings and the acquisition of related fixtures, construction of facilities that may be used by more than one segment of public higher education (intersegmental), the renovation and reconstruction of facilities, site acquisition, the equipping of new, renovated, or reconstructed facilities, which equipment shall have an average useful life of 10 years; and to provide funds for the payment of preconstruction costs, including, but not limited to, preliminary plans and working drawings for facilities of the California Community Colleges.

101134. (a) Of the total amount of bonds authorized to be issued and sold pursuant to Chapter 1 (commencing with Section 101100), bonds in the total amount of ____ dollars ($____), not including the amount of any refunding bonds issued in accordance with Section 101139, or so much thereof as is necessary, may be issued and sold to provide a fund to be used for carrying out the purposes expressed in this chapter and to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code. The bonds, when sold, shall be and constitute a valid and binding obligation of the State of California, and the full faith and credit of the State of California is hereby pledged for the punctual payment of the principal of, and interest on, the bonds as the principal and interest become due and payable.

(b) It is the intent of the Legislature that the California Community Colleges annually consider, as part of their annual capital outlay planning process, the inclusion of facilities that may be used by more than one segment of public higher education (intersegmental), and, that on or before May 15 of each year, those entities report their findings regarding inclusion of facilities for intersegmental use to the budget committees of each house of the Legislature.

(c) Pursuant to this section, the Treasurer shall sell the bonds authorized by the Higher Education Facilities Finance Committee established pursuant to Section 67353 at any different times necessary to service expenditures required by the apportionments.

101134.5. (a) The bonds authorized by this chapter shall be prepared, executed, issued, sold, paid, and redeemed as provided in the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), and all of the provisions of that law, except Section 16727 of the Government Code to the extent that it conflicts with this part, apply to the bonds and to this chapter and are hereby incorporated into this chapter as though set forth in full within this chapter.

(b) For purposes of the State General Obligation Bond Law, each state agency administering an appropriation of the 2016
California Community College Capital Outlay Bond Fund is designated as the “board” for projects funded pursuant to this chapter. 
(c) The proceeds of the bonds issued and sold pursuant to this chapter shall be available for the purpose of funding aid to the California Community Colleges for the construction on existing or new campuses, and their respective off-campus centers and joint use and intersegmental facilities, as set forth in this chapter.
101135. The Higher Education Facilities Finance Committee established pursuant to Section 67353 shall authorize the issuance of bonds under this chapter only to the extent necessary to fund the apportionments for the purposes described in this chapter that are expressly authorized by the Legislature in the annual Budget Act. Pursuant to that legislative direction, the committee shall determine whether or not it is necessary or desirable to issue bonds authorized pursuant to this chapter in order to carry out the purposes described in this chapter and, if so, the amount of bonds to be issued and sold. Successive issues of bonds may be authorized and sold to carry out those actions progressively, and it is not necessary that all of the bonds authorized to be issued be sold at any one time.
101135.5. There shall be collected each year and in the same manner and at the same time as other state revenue is collected, in addition to the ordinary revenues of the state, a sum in an amount required to pay the principal of, and interest on, the bonds each year. It is the duty of all officers charged by law with any duty in regard to the collection of the revenue to do and perform each and every act that is necessary to collect that additional sum.
101136. Notwithstanding Section 13340 of the Government Code, there is hereby appropriated from the General Fund in the State Treasury, for the purposes of this chapter, an amount that will equal the total of the following:
(a) The sum annually necessary to pay the principal of, and interest on, bonds issued and sold pursuant to this chapter, as the principal and interest become due and payable.
(b) The sum necessary to carry out Section 101137.5, appropriated without regard to fiscal years.
101136.5. The board, as defined in subdivision (b) of Section 101134.5, may request the Pooled Money Investment Board to make a loan from the Pooled Money Investment Account or any
other approved form of interim financing, in accordance with
Section 16312 of the Government Code, for the purpose of carrying
out this chapter. The amount of the request shall not exceed the
amount of the unsold bonds that the committee, by resolution, has
authorized to be sold for the purpose of carrying out this chapter.
The board, as defined in subdivision (b) of Section 101134.5, shall
execute any documents required by the Pooled Money Investment
Board to obtain and repay the loan. Any amounts loaned shall be
deposited in the fund to be allocated by the board in accordance
with this chapter.
101137. Notwithstanding any other provision of this chapter,
or of the State General Obligation Bond Law, if the Treasurer sells
bonds pursuant to this chapter that include a bond counsel opinion
to the effect that the interest on the bonds is excluded from gross
income for federal tax purposes, subject to designated conditions,
the Treasurer may maintain separate accounts for the investment
of bond proceeds and for the investment earnings on those
proceeds. The Treasurer may use or direct the use of those proceeds
or earnings to pay any rebate, penalty, or other payment required
under federal law or take any other action with respect to the
investment and use of those bond proceeds required or desirable
under federal law to maintain the tax-exempt status of those bonds
and to obtain any other advantage under federal law on behalf of
the funds of this state.
101137.5. (a) For purposes of carrying out this chapter, the
Director of Finance may authorize the withdrawal from the General
Fund of an amount not to exceed the amount of the unsold bonds
that have been authorized by the Higher Education Facilities
Finance Committee to be sold for the purpose of carrying out this
chapter. Any amounts withdrawn shall be deposited in the 2016
California Community College Capital Outlay Bond Fund
consistent with this chapter. Any money made available under this
section shall be returned to the General Fund, plus an amount equal
to the interest that the money would have earned in the Pooled
Money Investment Account, from proceeds received from the sale
of bonds for the purpose of carrying out this chapter.
(b) Any request forwarded to the Legislature and the Department
of Finance for funds from this bond issue for expenditure for the
purposes described in this chapter by the California Community
Colleges shall be accompanied by the five-year capital outlay plan
that reflects the needs and priorities of the community college
system and is prioritized on a statewide basis. Requests shall
include a schedule that prioritizes the seismic retrofitting needed
to significantly reduce, in the judgment of the particular college,
seismic hazards in buildings identified as high priority by the
college.

101138. All money deposited in the 2016 California
Community College Capital Outlay Bond Fund that is derived
from premium and accrued interest on bonds sold shall be reserved
in the fund, and shall be available for transfer to the General Fund
as a credit to expenditures for bond interest.

101139. The bonds may be refunded in accordance with Article
6 (commencing with Section 16780) of Chapter 4 of Part 3 of
Division 4 of Title 2 of the Government Code, which is a part of
the State General Obligation Bond Law. Approval by the voters
of the state for the issuance of the bonds described in this chapter
includes the approval of the issuance of any bonds issued to refund
any bonds originally issued under this chapter or any previously
issued refunding bonds.

101139.5. The Legislature hereby finds and declares that,
inasmuch as the proceeds from the sale of bonds authorized by
this chapter are not “proceeds of taxes” as that term is used in
Article XIII B of the California Constitution, the disbursement of
these proceeds is not subject to the limitations imposed by that
article.

Chapter 4. University Facilities

Article 1. General

101140. (a) The system of public universities in this state
includes the University of California, the Hastings College of the
Law, and the California State University, and their respective
off-campus centers.
(b) The 2016 University Capital Outlay Bond Fund is hereby
established in the State Treasury for deposit of funds from the
proceeds of bonds issued and sold for the purposes of this chapter.
(c) The Higher Education Facilities Finance Committee
established pursuant to Section 67353 is hereby authorized to create
a debt or debts, liability or liabilities, of the State of California
pursuant to this chapter for the purpose of providing funds to aid
the University of California, the Hastings College of the Law, and
the California State University.

Article 2. Facilities Program Provisions Applicable to the
University of California and the Hastings College of the Law

101141. (a) From the proceeds of bonds issued and sold
pursuant to Article 4 (commencing with Section 101150), the sum
of ____ dollars ($____) shall be deposited in the 2016 University
Capital Outlay Bond Fund for the purposes of this article. When
appropriated, these funds shall be available for expenditure for the
purposes of this article.
(b) The purposes of this article include assisting in meeting the
capital outlay financing needs of the University of California and
the Hastings College of the Law.
(c) Proceeds from the sale of bonds issued and sold for the
purposes of this article may be used to fund construction on
existing campuses, including the construction of buildings and the
acquisition of related fixtures, construction of facilities that may
be used by more than one segment of public higher education
(intersegmental), the renovation and reconstruction of facilities,
site acquisition, the equipping of new, renovated, or reconstructed
facilities, which equipment shall have an average useful life of 10
years; and to provide funds for the payment of preconstruction
costs, including, but not limited to, preliminary plans and working
drawings for facilities of the University of California and the
Hastings College of the Law.

Article 3. Facilities Program Provisions Applicable to the
California State University

101142. (a) From the proceeds of bonds issued and sold
pursuant to Article 4 (commencing with Section 101150), the sum
of ____ dollars ($____) shall be deposited in the 2016 University
Capital Outlay Bond Fund for the purposes of this article. When
appropriated, these funds shall be available for expenditure for the
purposes of this article.
(b) The purposes of this article include assisting in meeting the
capital outlay financing needs of the California State University.
(c) Proceeds from the sale of bonds issued and sold for the purposes of this article may be used to fund construction on existing campuses, including the construction of buildings and the acquisition of related fixtures, construction of facilities that may be used by more than one segment of public higher education (intersegmental), the renovation and reconstruction of facilities, site acquisition, the equipping of new, renovated, or reconstructed facilities, which equipment shall have an average useful life of 10 years; and to provide funds for the payment of preconstruction costs, including, but not limited to, preliminary plans and working drawings for facilities of the California State University.


101150. (a) Of the total amount of bonds authorized to be issued and sold pursuant to Chapter 1 (commencing with Section 101100), bonds in the amount of ____ dollars ($____), not including the amount of any refunding bonds issued in accordance with Section 101159, or so much thereof as is necessary, may be issued and sold to provide a fund to be used for carrying out the purposes expressed in this chapter and to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code. The bonds, when sold, shall be and constitute a valid and binding obligation of the State of California, and the full faith and credit of the State of California is hereby pledged for the punctual payment of the principal of, and interest on, the bonds as the principal and interest become due and payable.

(b) It is the intent of the Legislature that the University of California and the California State University annually consider, as part of their annual capital outlay planning process, the inclusion of facilities that may be used by more than one segment of public higher education (intersegmental), and, that on or before May 15 of each year, those entities report their findings regarding inclusion of facilities for intersegmental use to the budget committees of each house of the Legislature.

(c) Pursuant to this section, the Treasurer shall sell the bonds authorized by the Higher Education Facilities Finance Committee established pursuant to Section 67353 at any different times necessary to service expenditures required by the apportionments.
101151. (a) The bonds authorized by this chapter shall be
prepared, executed, issued, sold, paid, and redeemed as provided
in the State General Obligation Bond Law (Chapter 4 (commencing
with Section 16720) of Part 3 of Division 4 of Title 2 of the
Government Code), and all of the provisions of that law, except
Section 16727 of the Government Code to the extent that it
conflicts with this part, apply to the bonds and to this chapter and
are hereby incorporated into this chapter as though set forth in full
within this chapter.

(b) For purposes of the State General Obligation Bond Law,
each state agency administering an appropriation of the 2016
University Capital Outlay Bond Fund is designated as the “board”
for projects funded pursuant to this chapter.

(c) The proceeds of the bonds issued and sold pursuant to this
chapter shall be available for the purpose of funding aid to the
University of California, the Hastings College of the Law, and the
California State University, for the construction on existing or new
campuses, and their respective off-campus centers and joint use
and intersegmental facilities, as set forth in this chapter.

101152. The Higher Education Facilities Finance Committee
established pursuant to Section 67353 shall authorize the issuance
of bonds under this chapter only to the extent necessary to fund
the apportionments for the purposes described in this chapter that
are expressly authorized by the Legislature in the annual Budget
Act. Pursuant to that legislative direction, the committee shall
determine whether or not it is necessary or desirable to issue bonds
authorized pursuant to this chapter in order to carry out the
purposes described in this chapter and, if so, the amount of bonds
to be issued and sold. Successive issues of bonds may be authorized
and sold to carry out those actions progressively, and it is not
necessary that all of the bonds authorized to be issued be sold at
any one time.

101153. There shall be collected each year and in the same
manner and at the same time as other state revenue is collected,
in addition to the ordinary revenues of the state, a sum in an amount
required to pay the principal of, and interest on, the bonds each
year. It is the duty of all officers charged by law with any duty in
regard to the collection of the revenue to do and perform each and
every act that is necessary to collect that additional sum.
101154. Notwithstanding Section 13340 of the Government Code, there is hereby appropriated from the General Fund in the State Treasury, for the purposes of this chapter, an amount that will equal the total of the following:

(a) The sum annually necessary to pay the principal of, and interest on, bonds issued and sold pursuant to this chapter, as the principal and interest become due and payable.

(b) The sum necessary to carry out Section 101157, appropriated without regard to fiscal years.

101155. The board, as defined in subdivision (b) of Section 101151, may request the Pooled Money Investment Board to make a loan from the Pooled Money Investment Account or any other approved form of interim financing, in accordance with Section 16312 of the Government Code, for the purpose of carrying out this chapter. The amount of the request shall not exceed the amount of the unsold bonds that the committee, by resolution, has authorized to be sold for the purpose of carrying out this chapter. The board, as defined in subdivision (b) of Section 101151, shall execute any documents required by the Pooled Money Investment Board to obtain and repay the loan. Any amounts loaned shall be deposited in the fund to be allocated by the board in accordance with this chapter.

101156. Notwithstanding any other provision of this chapter, or of the State General Obligation Bond Law, if the Treasurer sells bonds pursuant to this chapter that include a bond counsel opinion to the effect that the interest on the bonds is excluded from gross income for federal tax purposes, subject to designated conditions, the Treasurer may maintain separate accounts for the investment of bond proceeds and for the investment earnings on those proceeds. The Treasurer may use or direct the use of those proceeds or earnings to pay any rebate, penalty, or other payment required under federal law or take any other action with respect to the investment and use of those bond proceeds required or desirable under federal law to maintain the tax-exempt status of those bonds and to obtain any other advantage under federal law on behalf of the funds of this state.

101157. (a) For purposes of carrying out this chapter, the Director of Finance may authorize the withdrawal from the General Fund of an amount not to exceed the amount of the unsold bonds that have been authorized by the Higher Education Facilities
Finance Committee to be sold for the purpose of carrying out this chapter. Any amounts withdrawn shall be deposited in the 2016 University Capital Outlay Bond Fund consistent with this chapter. Any money made available under this section shall be returned to the General Fund, plus an amount equal to the interest that the money would have earned in the Pooled Money Investment Account, from proceeds received from the sale of bonds for the purpose of carrying out this chapter.

(b) Any request forwarded to the Legislature and the Department of Finance for funds from this bond issue for expenditure for the purposes described in this chapter by the University of California, the Hastings College of the Law, or the California State University shall be accompanied by the five-year capital outlay plan. Requests forwarded by a university or college shall include a schedule that prioritizes the seismic retrofitting needed to significantly reduce, in the judgment of the particular university or college, seismic hazards in buildings identified as high priority by the university or college.

101158. All money deposited in the 2016 University Capital Outlay Bond Fund that is derived from premium and accrued interest on bonds sold shall be reserved in the fund, and shall be available for transfer to the General Fund as a credit to expenditures for bond interest.

101159. The bonds may be refunded in accordance with Article 6 (commencing with Section 16780) of Chapter 4 of Part 3 of Division 4 of Title 2 of the Government Code, which is a part of the State General Obligation Bond Law. Approval by the voters of the state for the issuance of the bonds described in this chapter includes the approval of the issuance of any bonds issued to refund any bonds originally issued under this chapter or any previously issued refunding bonds.

101160. The Legislature hereby finds and declares that, inasmuch as the proceeds from the sale of bonds authorized by this chapter are not “proceeds of taxes” as that term is used in Article XIII B of the California Constitution, the disbursement of these proceeds is not subject to the limitations imposed by that article.

SEC. 17. The Secretary of State shall submit Section 16 of this act to the voters at the November 8, 2016, statewide general election.
SEC. 18. The provisions of this act are severable. If any provision of this act or its application is held invalid, that invalidity shall not affect other provisions or applications that can be given effect without the invalid provision or application.

SEC. 19. Sections 1 to 13, inclusive, and Sections 15 and 16 of this act shall become operative only if the voters approve the Kindergarten-University Public Education Facilities Bond Act of 2016, as set forth in Section 16 of this act.