

## Senate Bill No. 1039

### CHAPTER 1001

An act relating to education, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor October 10, 1999. Filed  
with Secretary of State October 10, 1999.]

I am signing Senate Bill No. 1039, however I am deleting the \$250,000 General Fund appropriation for Alumnae Resources.

This bill will allow the Newport-Mesa Unified School District to submit a placeholder application to the State Allocation Board for facilities funding from Proposition 1A.

GRAY DAVIS, Governor

#### LEGISLATIVE COUNSEL'S DIGEST

SB 1039, Johnson. Education: school facilities: funding.

Under existing law, school districts are required to use funds derived from the sale of surplus property for capital outlay or for costs of maintenance of school district property. The proceeds may be deposited into the general fund of the school district for any general fund purpose if the school district governing board and the State Allocation Board have determined that the district has no anticipated need for additional sites or building construction for the 5-year period following the sale or lease of the surplus property.

Existing law that was in effect until January 1, 1998, provided an exception to the above-described provisions and authorized a school district in Orange County, that was unable to access funds of the school district deposited into the county treasury as a result of the financial crisis that led to the filing of a petition for the declaration of bankruptcy of Orange County, to deposit the proceeds derived from the sale of surplus property of the district into the general fund of the district and to expend those proceeds for general fund purposes. The law required that the proceeds from the sale of surplus property first be used to replenish fully any capital outlay funds or accounts that were lost due to the Orange County financial crisis.

Existing law prohibits any school district that deposits the proceeds from the sale of surplus property pursuant to that provision from applying for funding for school construction or modernization within 5 years from the date of the last deposit.

This bill would authorize any school district that is in Orange County and that deposited proceeds derived from the sale of surplus property into the general fund of the school district and used those proceeds for general fund purposes pursuant to those provisions to submit a placeholder application for state per-pupil facilities funding prior to the completion of the 5-year period.

This bill would, notwithstanding the 5-year waiting period, authorize the State Allocation Board to approve the district's new construction and modernization eligibility but would prohibit approval of state funds until completion of the 5-year period.

This bill would appropriate \$250,000 from the General Fund to the Superintendent of Public Instruction for the purposes of providing a grant to Alumnae Resources, a nonprofit organization, for the purposes of providing job training and education services.

The bill would declare that it is to take effect immediately as an urgency statute.

Appropriation: yes.

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

SECTION 1. (a) Any school district that is in Orange County and that deposited proceeds derived from the sale of surplus property into the general fund of the school district and used those proceeds for general fund purposes pursuant to former Section 1 of Chapter 7 of the 1995 Second Extraordinary Session, may submit a placeholder application for per-pupil facilities funding pursuant to the Leroy F. Greene School Facilities Act of 1998 (Chapter 12.5 (commencing with Section 17070.10) of Part 10 of the Education Code (hereafter the Greene Act)) prior to the completion of the five-year period set forth in Section 3 of Chapter 7 of the 1995 Second Extraordinary Session.

(b) Notwithstanding the five-year waiting period for state school facilities funding for school districts as described in subdivision (a), the State Allocation Board may approve the district's new construction and modernization eligibility pursuant to Article 2 (commencing with Section 17071.10) and Article 6 (commencing with Section 17073.10). Project apportionments pursuant to Sections 17072.20 and 17074.15 may not be approved by the State Allocation Board before the expiration of the five-year period set forth in Section 3 of Chapter 7 of the 1995 Second Extraordinary Session.

SEC. 2. The sum of two hundred fifty thousand (\$250,000) is hereby appropriated from the General Fund to the Superintendent of Public Instruction for the purposes of providing a grant to Alumnae Resources, a nonprofit organization, for the purposes of providing job training and education services.

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order for school districts in Orange County to be permitted to submit a placeholder application so that those school districts may be eligible for state school facilities funding after a five-year moratorium



on funding has ended, it is necessary that this act take effect immediately.

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