

***The* COMMUNITY COLLEGE UPDATE**

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Senate Bill 110 Permanently Extends Proposition 39 Clean Energy Program

Proposition 39—The California Clean Energy Job Act was envisioned to be a five-year program with the 2017-18 fiscal year being the final year. The program provides funding for projects that improve energy efficiency and expand clean energy generation. Senate Bill (SB) 110, which was signed into law on July 10, 2017 (Chapter 55/2017), provides a mechanism by which remaining funds in the program are allocated and establishes the Clean Energy Job Creation Program (Program), which extends the program indefinitely.

Remaining Funds—K-12 Education Only

Since the inception of the program, not including the 2017-18 allocation, approximately \$1.4 billion has been allocated for K-12 energy efficiency projects. Of the \$1.4 billion, approximately \$130 million has not been claimed by local educational agencies (LEAs). SB 110 requires that any funds not disbursed for approved energy expenditure plans by March 1, 2018, be appropriated as follows:

1. The first \$75 million will be provided to school districts and county offices of education (COEs) for grants or loans for school bus retrofits or replacements through a program administered by the California Energy Commission (CEC), in consultation with the State Air Resources Board. Priority will be given to school districts and COEs operating the oldest school buses or those operating in disadvantaged communities.
2. The next \$100 million will be used for low- and no-interest revolving loans and to provide technical assistance.
3. The remaining funds will be provided to LEAs in accordance with the new Program requirements with 10% going to LEAs with an average daily attendance (ADA) of no more than 1,000, 10% going to LEAs with an ADA of more than 1,000 but less than 2,000, and 80% going to LEAs with an ADA of more than 2,000.

New Clean Energy Job Creation Program—K-14 Education

Beginning in 2018-19, 11% of funds appropriated through the annual Budget Act will be provided to the Chancellor of the California Community Colleges to administer the Program for community colleges. The remaining funds will be allocated to K-12 LEAs based on the percentages and ADA ranges noted in number three above.

In allocating funds to LEAs, priority will be given based on:

1. An LEA's percentage of students eligible for free or reduced-price meals.
2. Geographic diversity that ensures urban, suburban, and rural LEAs receive grants and ensures that grants are awarded in all regions of the state.
3. Workforce needs of the areas in which LEAs are located, as determined by the California Workforce Investment Board and the local workforce investment boards.

The CEC is tasked with the adoption of implementing guidelines. In addition, any funds awarded must be encumbered within nine months of allocation.