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For Publication Date: September 20, 2019 Deal Reached on Statewide School Bond

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Late on September 10, 2019, amendments to Assembly Bill (AB) 48 became publicly available, signaling a deal on a statewide bond that would provide \$15 billion to K–16. AB 48, which requires a two-thirds vote of the Legislature to be presented to Governor Gavin Newsom for his signature, would place a proposition on the 2020 primary election ballot for voter approval. If approved, the bond would provide \$9 billion to K–12 and \$2 billion each to the three higher education segments. Below is a summary of key provisions in AB 48 of the \$2 billion Community College Facility Program.

Community College Program

For the community college bond program, funds may be used for:

- Construction on existing campuses, including the construction of buildings and the acquisition of related fixtures
- Construction of intersegmental facilities
- Renovation and reconstruction of facilities
- Site acquisition
- Equipping of new, renovated, or reconstructed facilities, which equipment shall have an average useful life of 10 years
- Payment of preconstruction costs, including, but not limited to, preliminary plans and working drawings for facilities

In their annual request for bond funds, the California Community College system will prioritize 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.

Local Bonding Capacity

AB 48 increases local bonding capacity for community college districts from 2.5% to 4%.

Conditions of Participation: Transparency and Project Audits

AB 48 requires a performance audit of any project funded in whole or in part with bond funds from the 2020 bond. However, a performance audit required by any other law will be deemed to meet this requirement. Moreover, the bill requires all projects seeking funding from the 2020 bond to be presented during a regularly scheduled and noticed public board meeting to solicit public input. The board meeting can occur at the same public hearing during which the board will take action on any project.

What's Next?

In order to be eligible to be presented to California voters in March 2020, the Legislature must pass AB 48 before they recess for 2019 on Friday, September 13—just two days from now. Once approved by lawmakers, bond supporters will begin campaigning to secure the approval of voters during next year's primary election. Stay tuned!