

Assembly Bill No. 1112

Passed the Assembly August 20, 2008

Chief Clerk of the Assembly

Passed the Senate August 14, 2008

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2008, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to amend Section 15100 of, and to add Sections 15100.3, 17070.62, and 17075.20 to, the Education Code, relating to school district and community college district bonds.

LEGISLATIVE COUNSEL’S DIGEST

AB 1112, Torrico. School district and community college district bonds.

Existing law authorizes the governing board of a school district or community college district to order an election and submit to the electors of the district the question of whether the bonds of the district should be issued and sold for the purpose of raising money for specified purposes. Those purposes include the acquisition of school lots, the purchase of school buildings, furniture, and equipment, the permanent improvement of school grounds, school construction, including demolition, alterations, additions, restoration, reconstruction, repairing, the carrying out of projects involving sewer and drainage systems, and the purchase of schoolbuses.

This bill would add the acquisition and construction of residential rental property to be used to house teachers and employees of the school district or community college district to the purposes for which a district is authorized to issue bonds. The bill would provide that residential rental property to be used by a school district or a community college district to house its teachers or employees that is acquired or purchased using the proceeds of these bonds is not a school facility, as that term is used in Section 18 of Article XVI of the California Constitution and would prohibit that property from being deemed a school facility. The bill would prohibit an apportionment of funds pursuant to the Leroy F. Greene School Facilities Act of 1998 from being made for the acquisition or construction of residential rental property to be used to house teachers or employees of a school district and would prohibit bonded indebtedness incurred by a school district for that purpose from being considered debt issued for capital outlay school facility purposes in determining the eligibility of a school district for financial hardship status pursuant to that act.

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

SECTION 1. Section 15100 of the Education Code is amended to read:

15100. Except as otherwise provided by law, the governing board of a school district or community college district may, when in its judgment it is advisable, and shall, upon a petition of the majority of the qualified electors residing in the school district or community college district, order an election and submit to the electors of the district the question whether the bonds of the district shall be issued and sold for the purpose of raising money for the following purposes:

- (a) The purchasing of school lots.
- (b) The building or purchasing of school buildings.
- (c) The making of alterations or additions to the school building or buildings other than as may be necessary for current maintenance, operation, or repairs.
- (d) The repairing, restoring, or rebuilding of a school building damaged, injured, or destroyed by fire or other public calamity.
- (e) The supplying of school buildings and grounds with furniture, equipment, or necessary apparatus of a permanent nature.
- (f) The permanent improvement of the school grounds.
- (g) The refunding of an outstanding valid indebtedness of the district, evidenced by bonds, or of state school building aid loans.
- (h) The carrying out of the projects or purposes authorized in Section 17577 or 81613.
- (i) The purchase of schoolbuses the useful life of which is at least 20 years.
- (j) The demolition or razing of a school building with the intent to replace it with another school building, whether in the same location or in any other location.
- (k) The acquisition or construction of residential rental property to be used to house teachers and employees of the district.

Any one or more of the purposes enumerated, except that of refunding an outstanding valid indebtedness of the district evidenced by bonds, by order of the governing board entered in its minutes, may be united and voted upon as one single proposition.

SEC. 2. Section 15100.3 is added to the Education Code, to read:

15100.3. Residential rental property that is to be used to house teachers or employees of a school district or a community college district and that is acquired or purchased using the proceeds of bonds issued and sold pursuant to this chapter is not, and shall not be deemed to be, a school facility, as that term is used in Section 18 of Article XVI of the California Constitution.

SEC. 3. Section 17070.62 is added to the Education Code, to read:

17070.62. An apportionment of funds pursuant to this chapter shall not be made for the acquisition or construction of residential rental property to be used to house teachers or employees of a school district.

SEC. 4. Section 17075.20 is added to the Education Code, to read:

17075.20. Bonded indebtedness incurred by a school district for the purpose of acquiring or constructing residential rental property to be used to house teachers or employees of a school district shall not be considered debt issued for capital outlay school facility purposes in determining the eligibility of a school district for financial hardship status pursuant to this article.

Approved _____, 2008

Governor