

Senate Bill No. 1447

Passed the Senate August 31, 2008

Secretary of the Senate

Passed the Assembly August 22, 2008

Chief Clerk of the Assembly

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

Private Secretary of the Governor

CHAPTER _____

An act to add and repeal Section 17463.7 of the Education Code, relating to the San Bruno Park School District, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 1447, Yee. Education finance: San Bruno Park School District.

(1) Existing law establishes the public school system in this state, and, among other things, provides for the establishment of school districts throughout the state and for their provision of instruction at the public elementary and secondary schools they operate and maintain. Existing law establishes a public school funding system that includes, among other elements, the provision of funding to local educational agencies through state apportionments, the proceeds of property taxes collected at the local level, and other sources. Existing law authorizes school districts to sell surplus real and personal property, as specified. Existing law requires the proceeds obtained by a school district pursuant to the sale of its real property to be expended solely for capital outlay purposes.

This bill would authorize the San Bruno Park School District to encumber and expend up to \$1,400,000 of the proceeds from the sale of the site of the former Carl Sandburg Elementary School for the 2008–09 fiscal year, as specified, thereby making an appropriation. The bill also would require the district to restore the funds encumbered and expended pursuant to this bill, plus interest equal to that earned by the Pooled Money Investment Account, in annual payments, commencing in the 2009–10 fiscal year, over a period not to exceed 10 years. The bill would repeal this provision on January 1, 2021.

(2) The bill would express the finding and declaration of the Legislature that, due to the unique circumstances relating to the San Bruno Park School District, a general statute within the meaning of a specified provision of the California Constitution cannot be made applicable, and the enactment of this bill as a special statute is therefore necessary.

Appropriation: yes.

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

SECTION 1. Section 17463.7 is added to the Education Code, to read:

17463.7. (a) Notwithstanding any other provision of law, the San Bruno Park School District may encumber and expend up to one million four hundred thousand dollars (\$1,400,000) of the proceeds from the sale of the site of the former Carl Sandburg Elementary School for the 2008–09 fiscal year for a one-time General Fund expense consistent with Section 17462 and the regulations adopted by the State Allocation Board pursuant to subdivision (c) of that section relating to the appropriate use of one-time expenditures.

(b) In order to encumber funds pursuant to subdivision (a), all of the following conditions shall apply:

(1) The district shall restore to its restricted capital outlay account the funds encumbered and expended pursuant to this section, plus interest equal to that earned by the Pooled Money Investment Account, in annual payments, commencing in the 2009–10 fiscal year, over a period not to exceed 10 years. Until these funds are restored to the account in full, any remaining funds from the sale of the property shall be exhausted for capital outlay purposes prior to any request for new construction or modernization funding.

(2) The district shall use the interest from any funds remaining from the sale of the property in excess of one million four hundred thousand dollars (\$1,400,000) to restore its restricted capital outlay account.

(3) The amount of financial hardship assistance that the district is eligible to receive pursuant to Article 8 (commencing with Section 17075.10) of Chapter 12.5 of Part 10 shall be reduced by one million four hundred thousand dollars (\$1,400,000) until the funds encumbered and expended pursuant to subdivision (a) are restored to its restricted capital outlay account.

(4) The district shall be ineligible to receive hardship funding from the State School Deferred Maintenance Fund pursuant to Section 17587 for five years after the date upon which the funds authorized to be expended pursuant to subdivision (a) are expended.

(5) The governing board of the district shall certify to the State Allocation Board that it has no major deferred maintenance requirements that cannot be completed with existing capital outlay resources.

(6) The governing board of the district, at a regularly scheduled meeting, shall adopt a resolution presenting a plan for restoring the funds encumbered and expended pursuant to subdivision (a) to its restricted capital outlay account.

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

SEC. 2. The Legislature finds and declares that, due to the unique circumstances relating to the San Bruno Park School District, as set forth in Section 1 of this act, a general statute within the meaning of Section 16 of Article IV of the California Constitution cannot be made applicable, and the enactment of Section 1 of this act as a special statute is therefore necessary.

Approved _____, 2008

Governor