

## Petition Drive Qualifies \$9 Billion School Facilities Bond for November 2016 Ballot

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A \$9 billion school facilities bond measure has qualified for the November 8, 2016 ballot. California Secretary of State Alex Padilla said on September 18 that the proposed school facilities bond had reached the threshold of 365,880 valid petition signatures, which is equal to five percent of the total votes cast for governor in the November 2014 General Election.

According to the California Attorney General's office, the ballot text for the proposed school facilities bond will be:

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**School Bonds. Funding for K-12 School and Community College Facilities. Initiative Statutory Amendment.** Authorizes \$9 billion in general obligation bonds: \$3 billion for new construction and \$3 billion for modernization of K-12 public school facilities; \$1 billion for charter schools and vocational education facilities; and \$2 billion for California Community Colleges facilities. Bars amendment to existing authority to levy developer fees to fund school facilities, until new construction bond proceeds are spent or December 31, 2020, whichever is earlier. Bars amendment to existing State Allocation Board process for allocating school construction funding, as to these bonds. Appropriates money from the General Fund to pay off bonds. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: **State General Fund costs of \$17.6 billion to pay off principal (\$9 billion) and interest (\$8.6 billion) on bonds over a period of 35 years. Annual payments would average \$500 million. Annual payments would be relatively low in the initial and final few years and somewhat higher in the intervening years.** (15-0005.)

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According to [staff writer Allen Young of the Sacramento Business Journal](#):

*The initiative is pushed by a school facilities advocacy group that says it hopes to expand its coalition to construction groups across the state.*

*"We're hoping for more builders, subcontractors, and others involved in public education," said David Walrath, a consultant from the Coalition for Adequate School Housing, a school facilities advocacy group.*

*As it has in the past, the upcoming campaign will focus on expanding access to quality schools across the state, said Walrath.*

*Last year, Gov. Jerry Brown opposed a \$9 billion school bond under the argument that the law would add unnecessary debt. Brown has said he wishes to overhaul the school facility funding process into a system where the state would pay to construct and modernize schools in areas that could not raise funding through a local ballot initiative.*

*Under the current school funding system, local entities must pledge 50 percent toward the cost of constructing a new school.*

*The November initiative would include \$3 billion for new construction, \$3 billion for modernization, \$1 billion for charter school construction and \$2 billion for community colleges. It would ultimately cost the state \$17.6 billion over 35 years including interest, the Secretary of State said.*

*California creates approximately 13,000 jobs for every \$1 billion it spends on school construction, Walrath said.*

*“It’s good for California’s employment and economic development,” he said.*

**Sources:** California Secretary of State’s Office, Sacramento Business Journal.