

# Message From The Chair



Ted E. Rozzi, C.A.S.H. Chair

After a long and challenging year, the Governor and Legislature have finally reached an agreement on a \$104.3 billion State Budget. The Governor signed the budget on September 23<sup>rd</sup> and set a record for the longest budget delay in California history. In addition to the more obvious challenges that a protracted budget debate poses for funding state programs and operations,

it is important to recognize that the overwhelming focus of decision-makers on addressing the State's fiscal challenges had a pronounced 'chilling' effect on significant policy discussions.

The most immediate effect of the focus on budget and fiscal issues in Sacramento this year can be seen in the discussions surrounding the possibility of placing a statewide school bond on the ballot for 2008. Specifically, AB 100 (Mullin) was introduced early in the year and was intended to be the legislative vehicle for a proposed 2008 statewide school bond; however, as a result of concerns about the state's fiscal challenges, an agreement was not reached. C.A.S.H. has always believed that sufficient funding to build and modernize schools is one of its primary missions, and statewide school bonds such as Propositions 47, 55, and 1D have historically provided this funding in concert with local school bonds and other sources of local funding. C.A.S.H. and the school facilities community must now look toward making a case for a statewide school

bond in 2010, and we have already begun to develop a plan and meet with stakeholders to begin making our case.

Concerning legislation more broadly, legislative leaders warned both policy and fiscal committees early in the Legislative Session that bills which include significant funding would have little chance of approval this year. Consequently, many bills were significantly revised, and still more did not survive the legislative process. A tangible example of how the focus on fiscal issues affected the legislative process is the fact that during the heat of budget negotiations, the Governor informed legislators that until a budget agreement was reached, he would not sign any bills into law. With respect to school facility bills in particular, although many were introduced despite the difficult fiscal situation, few school facilities bills ultimately survived.

In spite of these very real challenges, C.A.S.H. was still able to successfully pursue its primary objectives of ensuring adequate funding to build and modernize schools and to ensure that funding programs are efficient and equitable enough to allow practitioners to access funding to meet the educational facility needs of students. Specifically, C.A.S.H.'s expertise and advocacy was critical in reaching an agreement in both houses of the legislature on AB 100 and sending the bill to the Governor. AB 100 morphed from a vehicle for a statewide school bond into a bill that increases School Facility Program (SFP) grant levels by 5 percent in January 2009 and 4 percent in January 2010 and includes grant increases for special education. At the last minute the Governor did not sign AB 100. His veto message stated that the bill would set an undesirable precedent by providing a retroactive increase in the per pupil grants which conflicts with the full and final appor-



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The CASH Register is published eleven times a year (January through November) by the Coalition for Adequate School Housing (C.A.S.H.) and distributed to C.A.S.H. members. Over 1,000 rapidly growing school districts, county offices of education, architects, attorneys, bond counsel, financial institutions, developers, contractors, consultants, inspectors, licensed professionals, manufacturers of portable classrooms, maintenance suppliers and others who are concerned about school construction issues hold C.A.S.H. memberships.

The CASH Register solicits articles on school facility-related topics from the membership. If you are interested in submitting an article, please send it or a letter of inquiry to: Editor, CASH Register editorial office, 1130 K Street - Suite 210, Sacramento, CA 95814. Sorry, we are unable to return or acknowledge unpublished manuscripts. The views expressed herein are those of the authors and not necessarily those of the Coalition for Adequate School Housing, its board, staff or general membership.

tionment provision, and given the State's current fiscal climate, it is imprudent to increase construction grants at this time, particularly considering it is uncertain when the next school bond measure may be approved by the voters. The Governor's veto of AB 100 leaves in place the provisions of AB 127 (Proposition 1D) authorizing the State Allocation Board to increase (by up to 6% in any fiscal year) or decrease the new construction per pupil grants necessary to cause the grants to correspond to the costs of new school construction.


In addition, C.A.S.H. sponsored AB 2173 (Caballero) and SB 1354 (Torlakson), bills that respectively would have improved the conditions that school districts must meet in order to assess Level 2 developer fees and require the Superintendent of Public Instruction (SPI) to conduct an evaluation of new construction projects built under the SFP for educational adequacy. Like many of the bills that reached the Governor's desk in this budget crisis, AB 2173 and AB 1354 were vetoed.

In addition to sponsoring legislation, a significant component of legislative advocacy is protecting what you have previously fought for and preventing bad bills from becoming law. Consequently, C.A.S.H. played defense on bills that we believe would have adversely affected the school facilities community. As an example, early in the year various legislative and budget proposals which would have eliminated Deferred Maintenance Program (DMP) funding and allowed districts to contribute less than the currently required 3 percent to the Routine Restricted Maintenance Account (RRMA) were being considered by decision-makers. C.A.S.H. pushed back with vigor, arguing that in light of the State's significant investment in school facili-

ties in the past ten years, this 'robbing Peter to Pay Paul' approach is ultimately an imprudent fiscal decision. The final version of the budget included a fully-funded DMP and did not allow reduction in the required contribution to the RRMA. As always, the C.A.S.H. advocacy team tracked all bills relating to school facilities, and adopted appropriate support and opposition positions on bills dealing with critical issues such as labor compliance programs, school inspections, maintenance and operations funding and MTYRE operational grant "hits" to name a few.

In addition to advocating for adequate funding, C.A.S.H.'s other primary mission is to provide timely and accurate information to our members about these critical issues that affect your ability to build and modernize schools. To this end, I encourage you to attend the C.A.S.H. 30<sup>th</sup> Annual Conference (February 23-26, 2009, Sacramento Convention Center). This

year's theme is 30 Years of School Facilities Leadership – Advocacy, Education, Collaboration. As this year indicates, during these uncertain and tough economic times, it's absolutely critical to stay apprised of all funding opportunities; law, regulation, and policy changes; new and emerging concepts, approaches and trends; and fiscal management, planning, maintenance and operations, architectural, and school construction best practices and strategies.

Finally, as this eventful legislative year draws to a close, C.A.S.H. is already looking forward as the C.A.S.H. Board and Legislative Advisory Committee begin to develop our legislative and regulatory platform to allow our organization to continue to collectively pursue our common goal of providing the kind of complete schools that enhance teaching and learning in an increasingly complex educational environment. With our members help, we will be successful. 

## ***State Allocation Board Appoints Assistant Executive Officer***

The State Allocation Board is pleased to announce the appointment of Katrina Valentine to the position of Assistant Executive Officer for the Board effective October 1, 2008.

Since October 1998, Ms. Valentine has served the Office of Public School Construction in various capacities. Most recently, she was the Supervisor of the Policy and Specials Team, where she was responsible for

researching and implementing numerous policy issues related to the School Facility Program. Additionally, she has worked to successfully resolve many complex and sensitive school district appeal requests during her 10 years with OPSC.

Ms. Valentine received her Bachelor of Arts degree from California State University, Sacramento and lives in Folsom with her husband and two children. 