#### ATTACHMENT B



California Department of Education School Facilities and Transportation Services Division

# OFFICE OF PUBLIC SCHOOL CONSTRUCTION STAKEHOLDER MEETING September 18, 2025

Proposed Regulations Implementing State Augmentation of the Federal Supporting America's School Infrastructure

Grant Program

# **PURPOSE**

To discuss and receive input regarding proposed amendments to Title 5 of the California Code of Regulations, implementing the \$5 million state augmentation of the Federal Supporting America's School Infrastructure (SASI) Grant Program for Supporting Priority School Districts (SPSD). These regulations are required by Section 17078.48 of the Education Code (*EC*) and relate to sections 17078.45 through 17078.48.

## DESCRIPTION

EC Section 17078.48, which took effect on July 3, 2024, requires the California Department of Education (CDE) to adopt regulations implementing the state augmentation of the federal SASI grant, to include the following:

- the process for determining recipients of direct technical assistance,
- the framework for state and county collaboration efforts,
- the development, maintenance, and accessibility of centralized online resources, and
- reporting and accountability measures to ensure the effective use of the allocated funds and the achievement of its intended outcomes.

CDE has prepared the following proposed regulatory concepts for public discussion to invite input from the field prior to formally proposing regulations.

# <u>AUTHORITY</u>

Education Code Section 17078.48

## **BACKGROUND**

In January of 2024, the CDE received a \$4.99 million SASI grant from the U.S. Department of Education (ED). Through the SASI grant, CDE will work to improve and maintain school facilities for California's high-need local educational agencies (LEAs). The intent of the grant is to support California's high-need LEAs regarding their school building needs by developing a system of support for LEAs. This system consists of the following four components:

- Providing direct technical assistance to a select number of eligible LEAs.
- Creating county and/or regional networks of support.
- Developing centralized online resources.
- Increasing CDE expertise in school facility maintenance needs, especially for high need LEAs.

In July of 2024, the Governor signed AB 247, which provided an additional \$5 million to augment the federal SASI grant. This augmentation was subsequently authorized by California voters with the passage of Proposition 2 on the November 2024 ballot. While there are significant similarities between the federally funded grant program and the state augmentation, now known as the Supporting Priority School Districts (SPSD) program, there are also a few important differences, most notably the eligibility requirements for the grant and the directive that CDE adopt regulations implementing the grant. The regulatory concepts proposed here for the state augmentation are guided by three main principles. The first principle is ease of application for support. As the priority school districts are, by their nature, less able to support extensive administrative requirements than other districts, CDE intends to create a streamlined application and reporting process for eligible LEAs. The second principle is to use definitions already enacted through existing statutes or regulations whenever possible, in order to avoid confusion or inconsistency. Finally, given the flexibility provided by the state augmentation language, CDE will use a weighted point system to score applications, as needed.

# **ANALYSIS/DISCUSSION**

Determining Who Receives Direct Technical Assistance

In keeping with the principle of ease of application, CDE intends to require only a simple letter from the applicant LEA that sets forth basic district information, gross bonding capacity, the applicable eligibility criteria, and is signed by the superintendent or their designee certifying the accuracy of the information provided and agreeing to provide additional information and documents as required for providing technical assistance and legislative reports. This information may be submitted electronically or via physical mail. *EC* Section 17078.45(c) defines "priority school district" as a school district that CDE determines is in need of capital outlay assistance based on the school district meeting one or more of the following criteria:

- (1) An enrollment of fewer than 2,501 pupils.
- (2) Low gross bonding capacity per enrollment, as defined in EC Section 17070.15(k)
- (3) A high percentage of unduplicated pupils as defined in EC Section 17070.59(b)(1)
- (4) Has not previously submitted an application for funding pursuant to the School Facility Program (SFP).

The number of districts that meet at least one of these criteria far exceeds the funding for this program. If the number of applications exceeds the available capacity, CDE will use a weighted point system to differentiate among the districts on the basis of need. Consistent with the principle of using existing statute whenever possible, points will be awarded using the provisions of *EC* Section 17070.59 as guidance, with districts receiving the highest overall scores to be prioritized for technical assistance.

• <u>Up to 4 points for low enrollment.</u> *EC* Section 17078.45(c) identifies school districts with enrollment of fewer than 2,501 pupils as priority schools. Dividing this population of school districts into roughly equal quartiles results in the following assignment of points.

1 to 70 students = 4 points
 71 to 250 students = 3 points
 251 to 700 students = 2 points
 701 to 2500 students = 1 point

 Up to 8 points for low bonding capacity per enrollment. For each school district, the bonding capacity per enrollment would be calculated by dividing the district's gross bonding capacity by the district's total enrollment, based on the most recent enrollment reporting period data as it would be provided pursuant to the definition in SFP Regulation Section 1859.2. This number would then be used to assign points on the basis of EC Section 17070.59(a), as follows:

\$0.00 to \$9,999.00 = 8 points
 10,000 to 19,999.00 = 6 points
 \$20,000 to 54,999.00 = 4 points
 \$55,000 or more = 2 points

Up to 4 points for high unduplicated pupil percentage. For each school district, unduplicated pupil percentage will be based on the most recent "Unduplicated Pupil Count of Free/Reduced-Price Meals, English Learners, Homeless & Foster Youth" as determined for purposes of the local control funding formula pursuant to EC Section 42238.02, which is available through Local Control Funding Formula (LCFF) Summary Data spreadsheets available by fiscal year here: <a href="Statewide LCFF Summary Data - Principal Apportionment (CA Dept of Education)">Statewide LCFF Summary Data - Principal Apportionment (CA Dept of Education)</a>. This percentage will be used to assign points on the following basis:

75 to 100% = 4 points
 50 to 74.99% = 3 points
 25 to 49.99% = 2 points
 24.99% or less = 1 points

• Eight (8) additional points will be awarded if the district has not previously submitted an SFP application, as determined by OPSC.

Staff reviewed a variety of other potential ranking systems but ultimately determined that an equal weighting of the statutory requirements was in keeping with the enabling statute and other legislative directives regarding state support for school district facilities.

## County and Regional Networks of Support

- The CDE shall develop a regional network of Local Educational Agency (LEA) facilities and maintenance staff throughout the state to sustain ongoing support for priority school districts
- All LEAs shall be eligible to participate in the network.
- The CDE shall convene quarterly meetings of the network in partnership with the Division of the State Architect and the Office of Public School Construction.
- The CDE may collaborate with county or state agencies and organizations representing or supporting priority school districts.
- The CDE will publicize these meetings at least 30 days in advance utilizing the online resource discussed below.

#### Centralized Online Resources

- CDE will create a centralized online resource accessible from CDEs main website.
- The CDE may partner with other state agencies, LEAs, and organizations representing or supporting priority schools to create the resources provided.
- CDE will have the authority to require free user registration for the online resource if CDE deems it necessary.

## CDE Reporting and Accountability

The CDE will report annually to the legislature, on June 30 of each year beginning in 2026, for the lifetime of the funding, including a final summary report to be submitted by December 31, 2030. Reports will include, at a minimum:

- Demographic data for priority schools, including a list of the total school sites served by region, the total number of facilities assessed, and student demographics.
- Program and operational data including information on administrative costs, direct technical assistance provided, and a summary of website usage.
- The results of pre- and post-assistance assessments from districts receiving direct technical assistance.

CDE will have the authority to require participating LEAs to provide additional information as required for legislative reports, including any pre- and post-assessments necessary for evaluating the effectiveness of the direct technical assistance.

#### Program Structure

CDE will open an application period of not less than 60 days, to allow sufficient time for applicants to gather the needed information and submit their applications. This period will occur once, in order to allow CDE staff to ensure that the applicants demonstrating the greatest need receive the technical assistance. Additional application periods will only be considered if the number of applicants falls short of the available funding. These opportunities will only be offered on an as-needed basis, at CDE's discretion.

Before opening the application period, CDE will provide notice with specific details on the application period and process to LEAs via multiple methodologies at least 30 days prior to opening the application period. These will include CDE emails, postings on the CDE website and social media accounts, and utilizing the communications networks of other K-12 partners. This communication campaign will attempt to generate the widest possible awareness, ensuring that all eligible districts have the opportunity apply.

Utilizing the scoring method described above, CDE will score all applications received within the 60-day period. Mail applications must be postmarked by the 60<sup>th</sup> day, and emailed applications must be received by midnight on the 60<sup>th</sup> day. Successful

applicants will be queued in order in order according to their received date, unless scoring is required to differentiate districts based on need. Applicants will be notified of the results upon completion of scoring, and applicants selected for technical assistance will be provided with an estimate of when they will receive the assistance. While the highest scoring applicants will receive the technical assistance, the information generated by the program will be made available to any interested LEAs.

## **NEXT STEPS**

The CDE staff is seeking feedback on the proposed regulations. Staff requests that anyone wishing to provide feedback beyond today's discussion should do so by 5 PM on Friday, September 26, 2025. If you would like to submit written feedback, please email your suggestions to the School Facilities and Transportation Services Division at <a href="mailto:spsd@cde.ca.gov">spsd@cde.ca.gov</a>.

## <u>ATTACHMENT 1 – STATUTORY LANGUAGE</u>

Article 11.7. State Augmentation of Federal Supporting America's School Infrastructure Grant Program for Priority School Districts

17078.45. For purposes of this article, the following definitions apply:

- (a) "Centralized online resources" means an online portal or webpage dedicated to facilities maintenance and capital outlay in support of priority school districts.
- (b) "Direct technical assistance" means professional support on facilities maintenance and capital outlay provided in person to a priority school district at the site.
- (c) "Priority school district" means a school district that the State Department of Education determines is in need of capital outlay assistance. The State Department of Education's determination is based on the school district meeting one or more of the following criteria:
  - (1) An enrollment of fewer than 2,501 pupils.
  - (2) Low gross bonding capacity per enrollment.
  - (3) A high percentage of unduplicated pupils.
  - (4) Has not previously submitted an application for funding pursuant to the School Facility Program.
- (d) "SASI Grant" means the federal Supporting America's School Infrastructure Grant Program.
- (e) "State and county collaboration" means the joint efforts of the State Department of Education, county offices of education, and other state agencies, such as the Division of the State Architect and the Office of Public School Construction, to provide regional resource centers throughout the state to ensure priority school districts have access to local support.
- 17078.46. (a) The board shall provide a grant of five million dollars (\$5,000,000) to the State Department of Education to expand the objectives of the SASI Grant and support priority school districts as described in this article. The grant funds shall be made available from the amounts allocated pursuant to paragraphs (1) and (2) of subdivision (a) of Section 101412 at the board's discretion.
- (b) Any portion of the amount described in subdivision (a) that is not allocated pursuant to subdivision (a) by January 1, 2030, shall be available for the purposes described in paragraphs (1) and (2) of subdivision (a) of Section 101412, as determined by the board.
- 17078.47. The bond funds allocated to the State Department of Education pursuant to Section 17070.46 shall be used for all of the following purposes:
- (a) Direct technical assistance to priority school districts, including training in at least all of the following:
  - (1) Tools used to determine if a school facility is in "good repair" as defined in paragraph (1) of subdivision (d) of Section 17002 and rating a facility pursuant to paragraph (2) of subdivision (d) of Section 17002.

- (2) Developing a schoolsite inventory.
- (3) Assessing facility needs, estimating costs, and prioritizing projects.
- (4) Identifying funding options, including eligibility to participate in the school facilities program.
- (5) Developing facility contracts, including testing, architectural services, inspections, and construction.
- (b) State and county collaboration efforts, including at least all of the following:
  - (1) Developing a regional network of facilities and maintenance staff at county offices of education throughout the state to sustain ongoing support for priority school districts.
  - (2) Conducting quarterly meetings throughout the state, in partnership with the Division of the State Architect and the Office of Public School Construction, designed to address the facilities challenges faced by priority school districts.
  - (3) Partnering with other state agencies and organizations representing priority school districts with limited expertise and capacity.
- (c) Development and maintenance of centralized online resources, including at least all of the following:
  - (1) Dedicating a portal or webpage to school facilities maintenance to support maintenance assessment, state and national funding programs, and contract development and management.
  - (2) Providing standardized forms and tools for use by priority school districts.
  - (3) Developing an on-demand library of resources, including webinars, videos, and additional learning tools.
- (d) State level expertise on facility maintenance, which may include both of the following:
  - (1) Building the capacity of the State Department of Education and county offices of education in supporting priority school districts.
  - (2) Establishing, in partnership with the Division of the State Architect and the Office of Public School Construction, a certification process for private construction consultants and maintaining an up-to-date list of certified consultants for use by priority school districts.
- 17078.48. The State Department of Education shall adopt regulations setting forth the requirements and procedures for the allocation and use of bond funds pursuant to this article, including, but not limited to, all of the following:
- (a) The process for determining recipients of direct technical assistance.
- (b) The framework for state and county collaboration efforts.
- (c) The development, maintenance, and accessibility of centralized online resources.
- (d) Reporting and accountability measures to ensure the effective use of the allocated funds and the achievement of its intended outcomes.

## **ATTACHMENT 2: REGULATORY LANGUAGE**

## Title 5, Section TBD

- (a)(1) This program shall be referred to as the "Supporting Priority School Districts program."
- (2) The following definitions apply to the Supporting Priority School Districts program.
- (A) "Enrollment" means the most current district-wide enrollment information provided through the California Basic Educational Data System by school districts to the Department.
- (B) "Gross bonding capacity per enrollment" means a school district's gross bonding capacity as defined in *EC* Section 17070.15(k), divided by the district's enrollment.
- (C) "High percentage of unduplicated pupils" means that the total number of unduplicated pupils districtwide exceeds 68 percent of enrollment.
- (D) "Low gross bonding capacity per enrollment" means a school district gross bonding capacity, as defined in paragraph (B), of less than \$50,000 per student. e Grant Program; and whose eligibility has been confirmed by the Department.
- (E) "Unduplicated pupils" means pupils enrolled in a school district or a charter school who are either classified as English learners, eligible for free or reduced-price meals, or who are foster youth as determined for purposes of the local control funding formula pursuant to *EC* Section 42238.02.
- (b)(1) In order to identify school districts eligible for support under the SPSD, the Department will open an application period of no less than 60 days, prior to which, the Department will disseminate notice to districts statewide via the Department's website and social media accounts, as well as any email distribution lists and communication networks with K-12 partners that the Department deems appropriate. The period between first announcing the application period and opening the 60-day window will be no less than 30 days. All applications must be submitted by midnight on the 60<sup>th</sup> day if electronic or postmarked by the 60<sup>th</sup> day if submitted by mail. The Department may open subsequent enrollment periods at its discretion.
- (2) Each district wishing to participate will submit an application to the Department during the application period in a letter signed by the district superintendent, or their duly authorized designee, certifying that the information provided is correct. The application must include the name and county-district-school (CDS) code of the school district; identify the applicable eligibility criteria; request to participate in the program; agree to provide information and documents as required by the Department to facilitate providing technical assistance and reporting to the legislature, including completing any pre- and post-assistance assessments necessary for evaluating the effectiveness of the direct technical assistance; and supply the current gross bonding capacity of the district.
- (3) Upon the closure of the 60-day application window, the Department will verify eligibility and notify applicants that they are a priority school eligible for technical assistance under the SPSD program. If the number of eligible applicants exceeds the capacity of the program, applicants will be ordered for direct technical assistance using the criteria contained in *EC* Section 17070.59(a)-(c) on the following basis:
- (A) Up to four points for low enrollment. School districts with an enrollment between 1 and 70 students will receive four points, districts with an enrollment between 71 and 250

students will receive three points, school districts with an enrollment between 251 and 700 will receive two points and school districts with an enrollment of 701 or more students will be assigned one point.

- (B) Up to four points for low gross bonding capacity per enrollment. Bonding capacity per enrollment shall be calculated by dividing the district's gross bonding capacity by the district's total enrollment, based on the most recent enrollment reporting period data as it would be provided pursuant to the definition of a Small School District in SFP Regulation Section 1859.2. Points will be assigned on the basis of EC Section 17070.59(a), as follows:
- (i) A school district determined to have a gross bonding capacity per enrollment of zero dollars (\$0) to nine thousand nine hundred ninety-nine dollars (\$9,999), inclusive, shall receive eight points.
- (ii) A school district determined to have a gross bonding capacity per enrollment of ten thousand dollars (\$10,000) to nineteen thousand nine hundred ninety-nine dollars (\$19,999), inclusive, shall receive six points.
- (iii) A school district determined to have a gross bonding capacity per enrollment of twenty thousand dollars (\$20,000) to fifty-four thousand nine hundred ninety-nine dollars (\$54,999), inclusive, shall receive four points.
- (iv) A school district determined to have a gross bonding capacity per enrollment of fifty-five thousand dollars (\$55,000) or more shall receive two points.
- (C) Up to four points for high unduplicated pupil percentage. Unduplicated pupil percentage will be based on the most recent "Unduplicated Pupil Count of Free/Reduced-Price Meals, English Learners, Homeless & Foster Youth" as determined for purposes of the local control funding formula pursuant to *EC* Section 42238.02. School districts with an unduplicated pupil percentage between 75 and 100 percent will receive four points. School districts with an unduplicated pupil percentage between 50 and 74.99 percent will receive three points. School districts with an unduplicated pupil percentage between 25 percent and 49.99 percent will receive two points. School districts with an unduplicated pupil percentage that is 24.99 percent or less will receive one point.
- (D) Eight additional points will be awarded if the district has not previously submitted an SFP application, as determined by OPSC.
- (4) Priority schools will receive direct technical assistance based on the sequence established pursuant to subparagraph (3) above until SPSD program funds are exhausted.
- (c) The Department shall work with county offices of education to develop a regional network for communicating to and meeting with Local Educational Agency (LEA) facilities and maintenance staff throughout the state to sustain ongoing support for priority school districts. All LEAs shall be eligible to participate in the network, irrespective of designation as a priority school. The Department shall convene quarterly meetings of the network in partnership with the Division of the California State Architect and the California Office of Public School Construction. The Department may collaborate with other county or state agencies and organizations representing or supporting priority schools to facilitate these meetings.

- (d) The Department will create a single centralized online location hosted by the Department which will identify and contain resources for priority schools as described in *EC* 17078.47(c). This site will be accessible from the Department's main website. The Department may partner with other state agencies, LEAs, and/or organizations representing or supporting priority schools to create the resources provided. The Department may require free user registration for LEAs if the Department deems it necessary.
- (e) The Department will report on June 30 of each year to the Secretary of the Senate and the Chief Clerk of the Assembly until 2030 beginning in 2026. The Department will produce a final summary report to be submitted by December 31, 2030. Reports will address, at a minimum:
- (1) Demographic data for priority schools, including a list of the total school sites served by region, the total number of facilities assessed, and student demographics.
- (2) Program and operational data including information on administrative costs, direct technical assistance provided, and a summary of website usage.
- (3) The results of pre- and post-assistance assessments from districts receiving direct technical assistance.