

September 25, 2026

TITLE 2. STATE ALLOCATION BOARD

NOTICE OF PROPOSED REGULATORY ACTION

THE STATE ALLOCATION BOARD PROPOSES TO
AMEND FOUR REGULATION SECTIONS ALONG WITH EIGHT ASSOCIATED
FORMS, AND ADOPT ONE REGULATION SECTION,
TITLE 2, CALIFORNIA CODE OF REGULATIONS,
RELATING TO THE LEROY F. GREENE SCHOOL FACILITIES ACT OF 1998

PROPOSED AMENDMENTS TO THE FOLLOWING REGULATION SECTIONS:

- 1859.2, 1859.20, 1859.21 AND 1859.90.2

PROPOSED AMENDMENTS TO THE FOLLOWING FORMS:

- Form SAB 50-01, *Enrollment Certification/Projection*, (Rev. ~~05/09~~ 12/25), which is incorporated by reference and referenced in Regulation Section 1859.2
- Form SAB 50-02, *Existing School Building Capacity*, (Rev. ~~42/40~~ 12/25), which is incorporated by reference and referenced in Regulation Section 1859.2
- Form SAB 50-03, *Eligibility Determination*, (Rev. ~~03/25~~ 12/25), which is incorporated by reference and referenced in Regulation Section 1859.2
- Form SAB 50-04, *Application For Funding*, (Rev. ~~02/26~~ 11/26), which is incorporated by reference and referenced in Regulation Section 1859.2
- Form SAB 50-05, *Fund Release Authorization*, (Rev. ~~02/26~~ 11/26), which is incorporated by reference and referenced in Regulation Section 1859.2
- Form SAB 50-06, *Expenditure Report*, (Rev. ~~40/22~~ 12/25), which is incorporated by reference and referenced in Regulation Section 1859.2
- Form SAB 50-09, *Application for Charter School Preliminary Apportionment*, (Rev. ~~04/26~~ 11/26), which is incorporated by reference and referenced in Regulation Section 1859.2
- Form SAB 50-10, *Application for Career Technical Education Facilities Funding*, (Rev. ~~04/26~~ 11/26), which is incorporated by reference and referenced in Regulation Section 1859.2

PROPOSED ADOPTION OF THE FOLLOWING REGULATION SECTION:

- 1859.19

NOTICE IS HEREBY GIVEN that the State Allocation Board (SAB) proposes to adopt a regulation section and amend the above-referenced regulation sections, including eight associated forms, contained in Title 2, California Code of Regulations (CCR). A public hearing is not scheduled. A public hearing will be held if any interested person, or his or her duly authorized representative, submits a written request for a public hearing to the Office of Public School Construction (OPSC) no later than 15 days prior to the close of the written comment period. Following the public hearing, if one is requested, or following the written comment

period if no public hearing is requested, OPSC, at its own motion or at the instance of any interested person, may adopt the proposals substantially as set forth above without further notice.

AUTHORITY AND REFERENCE CITATIONS

The SAB is proposing to amend the above-referenced regulation sections under the authority provided by Sections 17070.35, 17075.20, and 17078.64 of the Education Code. The proposal interprets and make specific reference Sections 8974, 17009.5, 17017.6, 17017.7, 17021, 17047, 17050, 17051, 17070.15, 17070.35, 17070.41, 17070.50, 17070.51(a), 17070.54, 17070.59, 17070.63, 17070.71, 17070.77, 17070.80, 17071.10, 17071.25, 17071.30, 17071.33, 17071.35, 17071.40, 17071.75, 17071.76, 17072.10, 17072.12, 17072.18, 17072.30, 17072.33, 17073.10, 17073.16, 17073.25, 17074.10, 17074.15, 17074.16, 17074.30, 17075.10, 17075.15, 17076.10, 17077.30, 17077.35, 17077.40, 17077.42, 17077.45, 17078.35, 17078.36, 17078.37, 17078.38 17078.52, 17078.56, 17078.72(k), 17079, 17079.10, 17280, 56026, and 101012(a)(8), Education Code; Section 53311, Government Code; and Sections 1771.3 in effect on January 1, 2012 through June 19, 2014 and 1771.5, Labor Code.

INFORMATIVE DIGEST/POLICY OVERVIEW STATEMENT

The Leroy F. Greene School Facilities Act of 1998 established, through Senate Bill 50, Chapter 407, Statutes of 1998, the School Facility Program (SFP). The SFP provides a per-pupil grant amount to qualifying school districts for purposes of constructing school facilities and modernizing existing school facilities. The SAB adopted regulations to implement the Leroy F. Greene School Facilities Act of 1998, which were approved by the Office of Administrative Law and filed with the Secretary of State on October 8, 1999.

Between July and October 2025, OPSC held two stakeholder meetings to inform the development of proposed regulations implementing the mandatory use of OPSC Online. At its meeting on December 3, 2025, the SAB adopted proposed regulatory amendments that implement additional provisions.

Attached to this Notice are the proposed regulations and eight associated forms. The proposed regulations can also be reviewed on OPSC's website at: [Laws, Regulations for School Construction Projects](#). Copies of the proposed regulations and the eight associated forms will be mailed to any person requesting this information by using OPSC's contact information set forth below in this Notice. The proposed regulations amend the SFP Regulations under the California Code of Regulations, Title 2, Chapter 3, Subchapter 4, Group 1, State Allocation Board, Subgroup 5.5, Regulations relating to the Leroy F. Greene School Facilities Act of 1998.

Background and Problem Being Resolved

OPSC created the OPSC Online web-based application portal over eight years ago. OPSC Online allows school districts and applicants to electronically submit requests for funding, and associated project documentation, for all SFP projects. The online platform allows applicants to draft, review, and submit required forms at any time, resulting in a completely paperless process. OPSC Online includes the New Construction, Modernization, Facility Hardship/Seismic Mitigation Programs, Charter School Facilities Programs, Career Technical Education Facilities Program, and the Small School District Program. OPSC has tested and programmed numerous expansions and improvements, particularly when legislation impacts the SFP and program modifications must be implemented.

The problem being resolved is reducing the carbon footprint of OPSC and participating school districts by transitioning to a paperless, web-based application portal. This change aims to promote environmental sustainability and minimize the environmental impact of administrative operations. By implementing digital processes and reducing paper usage, the online application not only lowers emissions associated with traditional paperwork but also encourages energy-efficient practices for all SAB-administered programs. The requirement will also significantly reduce OPSC's administrative staff time spent keying in submitted paper applications as well as emailed applications.

OPSC conducted a search on whether the proposed regulatory amendments were consistent and compatible with existing State laws and regulations and did not identify any inconsistent or incompatible existing State laws or regulations. Proceeding with the implementation of the proposed regulations will provide a sustainable and positive impact on the environment as well as reduce the carbon footprint on OPSC. The proposed regulations will continue to ensure the integrity of the SFP through a web-based means.

Anticipated Benefits of the Proposed Regulations

The benefits associated with the proposed regulations include less paper usage, which reduces environmental impact, faster turnaround times, allowing for more efficient processing; and a lower chance of human error, leading to greater accuracy. The requirement will significantly reduce OPSC's administrative staff time spent keying in submitted paper application as well as emailed applications.

The proposed regulations promote transparency, fairness and social equity because school districts participating in SAB-administered programs will have the same access to OPSC Online at any time to submit applications and associated documentation in order to support their projects. The information in OPSC Online is in real-time so school districts can follow their project(s) in real-time as the project(s) progress through the review/approval processes.

The proposed regulations will not have an impact to various business, manufacturing and construction-related industries such as architecture, engineering, trades and municipalities. In addition, the proposed regulations will not impact the creation of jobs, the creation of new businesses, and the expansion of business in California. It is not anticipated that the proposed regulations will result in the elimination of existing businesses or jobs within California.

Summary of the Proposed Regulations

A summary of the proposed regulations, including the eight associated forms, are as follows:

Existing Regulation Section 1859.2 represents a set of defined words and terms used exclusively for these regulations. The proposed amendments define the new term "OPSC Online". The proposed amendments also make clear that the eight associated forms (SAB 50-01, SAB 50-02, SAB 50-03, SAB 50-04, SAB 50-05, SAB 50-06, SAB 50-09, SAB 50-10) must be submitted via OPSC Online. The revision dates are notated on pages 1 and 5 of this document.

Proposed adoption of Regulation Section 1859.19 requires the submittal of SFP forms and supporting documentation through OPSC Online beginning January 1, 2027. This section provides guidance for which application documents and formal correspondence are subject to this requirement, as well as the process for technical challenges if OPSC Online is inaccessible.

Existing Regulation Section 1859.20 establishes and identifies the forms to be used by a school district to file either a modernization or new construction application for an SAB

determination of a school district's eligibility. The proposed amendments instruct school districts to file the necessary forms electronically through the OPSC Online application.

Existing Regulation Section 1859.21 sets forth a general requirement that school districts must meet when seeking funding for a new construction or modernization project. The proposed amendments incorporate the new term OPSC Online and instruct school districts to file the Form SAB 50-04, *Application For Funding*, electronically through the Online application.

Existing Regulation Section 1859.90.2 authorizes the SAB to establish 30-calendar day application filing periods for school districts and charter schools to apply for apportionments of available State school bond funds. The proposed amendments at the bottom of the introductory paragraph eliminate an existing reference to requests being "physically received" by OPSC and add that priority funding requests must be submitted to OPSC through OPSC Online. Although the SAB adopted additional amendments in this Section, the proposed amendments are no longer a part of this rulemaking as the Office of Administrative Law (OAL) approved the amendments through an intervening regulation that became effective on June 15, 2026 [OAL File #2026-0605-01E].

Existing Form SAB 50-01, *Enrollment Certification/Projection*, (Rev. ~~05/09~~ 12/25), (incorporated by reference) is submitted by school districts to determine a district's initial eligibility for new construction funding under the SFP. On page 1, under "General Information," 1st paragraph: the proposed amendments align with the requirements in new Regulation Section 1859.19, where the school district must submit all SAB-required forms and supporting documentation to be a valid and complete application using OPSC Online.

Existing Form SAB 50-02, *Existing School Building Capacity*, (Rev. ~~12/10~~ 12/25), (incorporated by reference) is used for a determination of a school district's existing school building capacity. On page 1, under "General Information," 1st paragraph: the proposed amendments align with the requirements in new Regulation Section 1859.19, where the school district must submit all SAB-required forms and supporting documentation to be a valid and complete application using OPSC Online.

Existing Form SAB 50-03, *Eligibility Determination*, (Rev. ~~03/25~~ 12/25), (incorporated by reference) is used to calculate a school district's eligibility for new construction and modernization funding under the SFP. On page 1, under "General Information," 1st paragraph: the proposed amendments align with the requirements in new Regulation Section 1859.19, where the school district must submit all SAB-required forms and supporting documentation to be a valid and complete application using OPSC Online. Additionally, under "General Information," 2nd paragraph: OPSC is replacing outdated references for correspondence.

Existing Form SAB 50-04, *Application for Funding*, (Rev. ~~02/26~~ 11/26), (incorporated by reference) is submitted by school districts to apply for State funding for new construction and modernization projects. On page 1, under "General Information," 1st paragraph: the proposed amendments align with the requirements in new Regulation Section 1859.19, where the school district must submit all SAB-required forms and supporting documentation to be a valid and complete application using OPSC Online. Additionally, OPSC is updating instructions for submitting project plans and specifications. Under the "Specific Instructions," 1st paragraph: the reference to the Project Tracking Number Generator needed to be updated because access is now through OPSC Online.

Existing Form SAB 50-05, *Fund Release Authorization*, (Rev. ~~02/26~~ 11/26), (incorporated by reference) is used to request the release of funds after a project has received an apportionment by the SAB. On page 1, under "General Information," 1st paragraph: the

proposed amendments align with the requirements in new Regulation Section 1859.19, where the school district must submit all SAB-required forms and supporting documentation using OPSC Online.

Existing Form SAB 50-06, *Expenditure Report*, (Rev. ~~40/22~~ 12/25), (incorporated by reference) is used to record the total amount of funding spent on the project, including State and district shares. On page 1, under “Instructions,” 1st paragraph: the proposed amendments align with the requirements in new Regulation Section 1859.19, where the school district must submit all SAB-required forms and supporting documentation using OPSC Online. Additionally, on page 1, 2nd column: OPSC is removing outdated references to where physical correspondence was sent.

Existing Form SAB 50-09, *Application for Charter School Preliminary Apportionment*, (Rev. ~~04/26~~ 11/26), (incorporated by reference) is the form for charter school entities to apply for preliminary apportionments for qualifying projects. On page 1, under “General Instructions,” 1st paragraph: the proposed amendments align with the requirements in new Regulation Section 1859.19, where a school district must submit all SAB-required forms and supporting documentation to be a valid and complete application using OPSC Online. Additionally in the 3rd paragraph, OPSC directs school districts to obtain the Project Tracking Number through OPSC Online and is removing references where obtaining the Project Tracking Number Generator was once the practice.

Existing Form SAB 50-10, *Application for Career Technical Education Facilities Funding*, (Rev. ~~04/26~~ 11/26), (incorporated by reference) is used to request State funding for the Career Technical Education Facilities Program. On page 1, under “General Information,” 1st paragraph: the proposed amendments align with the requirements in new Regulation Section 1859.19, where a school district must submit all SAB-required forms and supporting documentation to be a valid and complete application using OPSC Online. Additionally, OPSC is updating instructions for submitting project plans and specifications. Under “Specific Instructions,” 2nd column, 1st paragraph: the reference to the Project Tracking Number Generator needed to be updated because access to it is now through OPSC Online.

Statutory Authority and Implementation

Education Code Section 17070.35. (a) In addition to all other powers and duties as are granted to the board by this chapter, other statutes, or the California Constitution, the board shall do all of the following: (1) Adopt rules and regulations, pursuant to the rulemaking provisions of the Administrative Procedure Act, Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, for the administration of this chapter.

Government Code Section 15503. Whenever the board is required to make allocations or apportionments under this part, it shall prescribe rules and regulations for the administration of, and not inconsistent with, the act making the appropriation of funds to be allocated or apportioned. The board shall require the procedure, forms, and the submission of any information it may deem necessary or appropriate. Unless otherwise provided in the appropriation act, the board may require that applications for allocations or apportionments be submitted to it for approval.

Determination of Inconsistency or Incompatibility with Existing State Regulations

OPSC created the OPSC Online web-based application portal eight years ago. OPSC Online allows school districts and applicants to electronically submit requests for funding, and associated project documentation, for all SFP projects. The online platform allows applicants to draft, review, and submit required forms at any time, resulting in a completely paperless

process. OPSC Online includes the New Construction, Modernization, Facility Hardship/Seismic Mitigation Programs, Charter School Facilities Programs, Career Technical Education Facilities Program, and the Small School District Program. OPSC has tested and programmed numerous expansions and improvements, particularly when legislation impacts the SFP and program modifications must be implemented.

Recognizing that technical challenges may occasionally happen, the proposed regulations provide an extension to deadlines if the submittal of information in OPSC Online is precluded due to circumstances beyond the control of a school district. Specifically, the proposed regulations allow school districts to submit outstanding items by the next business day following restoration of access to OPSC Online.

After conducting a review, the SAB has concluded that these are the only regulations on this subject, and therefore, the proposed regulations are neither inconsistent nor incompatible with existing State laws and regulations. The proposed regulations are within the SAB's authority to enact regulations for the SFP under Education Code Section 17070.35 and Government Code Section 15503.

Documents Incorporated by Reference

- *Form SAB 50-01*, (Rev. ~~05/09~~ 12/25), referenced in Regulation Section 1859.2 and is incorporated by reference.
- *Form SAB 50-02*, (Rev. ~~12/10~~ 12/25), referenced in Regulation Section 1859.2 and is incorporated by reference.
- *Form SAB 50-03*, (Rev. ~~03/25~~ 12/25), referenced in Regulation Section 1859.2 and is incorporated by reference.
- *Form SAB 50-04*, (Rev. ~~02/26~~ 11/26), referenced in Regulation Section 1859.2 and is incorporated by reference.
- *Form SAB 50-05*, (Rev. ~~02/26~~ 11/26), referenced in Regulation Section 1859.2 and is incorporated by reference.
- *Form SAB 50-06*, (Rev. ~~10/22~~ 12/25), referenced in Regulation Section 1859.2 and is incorporated by reference.
- *Form SAB 50-09*, (Rev. ~~01/26~~ 11/26), referenced in Regulation Section 1859.2 and is incorporated by reference.
- *Form SAB 50-10*, (Rev. ~~01/26~~ 11/26), referenced in Regulation Section 1859.2 and is incorporated by reference.

IMPACT ON LOCAL AGENCIES OR SCHOOL DISTRICTS

The Executive Officer of the SAB has determined that the proposed regulations do not impose a mandate or a mandate requiring reimbursement by the State pursuant to Part 7 (commencing with Section 17500) of Division 4 of the Government Code. It will not require local agencies, school districts or charter schools to incur additional costs in order to comply with the proposed regulations.

DISCLOSURES REGARDING THE PROPOSED REGULATORY ACTION

The Executive Officer of the SAB has made the following initial determinations relative to the required statutory categories:

- The SAB has made an initial determination that there will be no significant, statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other states.
- The SAB is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.
- There will be no non-discretionary costs or savings to local agencies.
- The proposed regulations create no costs to any local agency or school district requiring reimbursement pursuant to Section 17500 et seq., or beyond those required by law, except for the required district contribution toward each project as stipulated in statute.
- There will be no costs or savings in federal funding to the State.
- The proposed regulations create no costs or savings to any State agency beyond those required by law.
- The SAB has made an initial determination that there will be no impact on housing costs.

RESULTS OF THE ECONOMIC IMPACT ANALYSIS

Impact to Businesses and Jobs in California

The proposed regulations promote transparency, fairness and social equity because school districts participating in SAB-administered programs will have the same access to OPSC Online at any time to submit applications and associated documentation in order to support their projects. The information in OPSC Online is in real-time so school districts can follow their project(s) in real-time as the project(s) progress through the review/approval processes.

In addition, the proposed regulations will not have an impact to various business, manufacturing and construction-related industries such as architecture, engineering, trades and municipalities. In addition, the proposed regulations will not impact the creation of jobs, the creation of new businesses, and the expansion of business in California. It is not anticipated that the proposed regulations will result in the elimination of existing businesses or jobs within California.

Benefits to Public Health and Welfare, Worker's Safety, and the State's Environment

- The proposed regulations promote transparency because OPSC and the school district community collaborated on the proposed regulations through a series of stakeholder meetings.
- The proposed regulations promote fairness and social equity because school districts participating in SAB-administered programs will have the same access to OPSC Online at any time to submit applications and associated documentation in order to support their projects. The information in OPSC Online is in real-time so school districts can follow their project(s) in real-time as the project(s) progress through the review/approval processes.
- The State of California benefits from the proposed amendments by reducing the carbon footprint of OPSC and school districts participating in SAB-administered programs by transitioning to a paperless, web-based application portal.

- There is a positive impact to the State's environment from the proposed regulations by promoting environmental sustainability and minimizing the environmental impact of administrative operations. With the implementation of digital processes and reducing paper usage, the Online application not only lowers emissions associated with traditional paperwork but also encourages energy-efficient practices for all SAB-administered programs.

The SAB finds the proposed regulations fully consistent with the stated purposes and benefits.

EFFECT ON SMALL BUSINESSES

It has been determined that the proposed regulations will not have a negative impact on small businesses in the ways identified in subsections (a)(1)–(4) of Section 4, Title 1, CCR. The proposed regulations allow school districts and applicants to electronically submit through OPSC Online requests for funding, and associated project documentation, for all SAB-administered programs. The proposed regulations and the eight associated forms will not have a negative impact to various business, manufacturing, and construction-related industries such as architecture, engineering, trades and municipalities. In addition, the proposed regulations will not impact the creation of jobs, the creation of new businesses, and the expansion of businesses in California. It is not anticipated that the proposed regulations will result in the elimination of existing businesses or jobs within California.

SUBMISSION OF COMMENTS, DOCUMENTS AND ADDITIONAL INFORMATION

Any interested person may present statements, arguments or contentions, in writing, submitted via U.S. mail, email or fax, relevant to the proposed regulatory action. Written comments submitted via U.S. mail, email or fax must be received at OPSC no later than November 9, 2026 end of day. The express terms of the proposed regulations as well as the Initial Statement of Reasons are available to the public.

Written comments, submitted via U.S. mail, email or fax, regarding the proposed regulatory action, requests for a copy of the proposed regulatory action or the Initial Statement of Reasons, and questions concerning the substance of the proposed regulatory action should be addressed to:

Ryan Malloy, Regulations Coordinator

Mailing Address: Office of Public School Construction
707 Third Street, 3rd Floor
West Sacramento, CA 95605

E-mail Address: ryan.malloy@dgs.ca.gov

Fax No.: (916) 375-6721

AGENCY CONTACT PERSONS

General or substantive questions regarding this Notice of Proposed Regulatory Action may be directed to Mr. Ryan Malloy at (279) 946-8472. If Mr. Malloy is unavailable, these questions may be directed to the backup contact person, Ms. Lisa Jones, Administrative Services Manager, at (279) 946-8459.

ADOPTION OF REGULATIONS

Please note that, following the public comment period, the SAB may adopt the regulation substantially as proposed in this notice or with modifications, which are sufficiently related to the originally proposed text and notice of proposed regulatory activity. If modifications are made, the modified text with the changes clearly indicated will be made available to the public for at least 15 days prior to the date on which the SAB adopts the regulations.

The modified regulation(s) will be made available and provided to: all persons who testified at and who submitted written comments at the public hearing, all persons who submitted written comments during the public comment period, and all persons who requested notification from the agency of the availability of such changes. Requests for copies of any modified regulations should be addressed to the agency's regulation coordinator identified above. The SAB will accept written comments on the modified regulations during the 15-day period.

SUBSTANTIAL CHANGES WILL REQUIRE A NEW NOTICE

If, after receiving comments, the SAB intends to adopt the regulation with modifications not sufficiently related to the original text, the modified text will not be adopted without complying anew with the notice requirements of the Administrative Procedure Act.

RULEMAKING FILE

Pursuant to Government Code Section 11347.3, the SAB is maintaining a rulemaking file for the proposed regulatory action. The file currently contains:

1. A copy of the text of the regulations for which the adoption is proposed in ~~strikeout~~/underline.
2. A copy of this Notice.
3. A copy of the Initial Statement of Reasons for the proposed adoption.
4. The factual information upon which the SAB is relying in proposing the adoption.

As data and other factual information, studies, reports or written comments are received they will be added to the rulemaking file. The file is available for public inspection at OPSC during normal working hours. Items 1 through 3 are also available on OPSC's Internet Web site at: [Laws, Regulations for School Construction Projects](#) then scroll down to School Facility Program, Pending Regulatory Changes, December 3, 2025, Non-Emergency Regulations (OPSC Online Regulation), and click on the links for the 45-day Public Notice, Initial Statement of Reasons, Proposed Regulation Text, Forms SAB 50-01 through SAB 50-06, SAB 50-09 and SAB 50-10.

ALTERNATIVES

In accordance with Government Code Section 11346.5(a)(13), the SAB must determine that no reasonable alternative it considered or that has otherwise been identified and brought to its attention would be more effective in carrying out the purpose for which the action is proposed, would be as effective and less burdensome to affected private persons than the proposed action, or would be more cost-effective to affected private persons and equally effective in implementing the statutory policy or other provision of law. There were no alternatives considered. By implementing digital processes and reducing paper usage, the online application not only lowers emissions associated with traditional paperwork but also encourages energy-efficient practices for all SAB-administered programs.

AVAILABILITY OF THE FINAL STATEMENT OF REASONS

Upon its completion, the Final Statement of Reasons will be available, and copies may be requested from the agency's regulation coordinator named in this notice or may be accessed on the website listed above.