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## **2022 CSFC Annual Summit**

Embassy Suites Sacramento Riverfront Promenade  
October 27-28, 2022

### **Legislative and Regulatory Update**

***Rebekah Cearley***  
Legislative Advocate  
County School Facilities Consortium

## **Speaker Biography**

**Rebekah Cearley**  
**Legislative Advocate**  
**County School Facilities Consortium**

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Rebekah Cearley is a legislative advocate for education entities including the County School Facilities Consortium (CSFC), the Coalition for Adequate School Housing (CASH), and the Community College Facility Coalition (CCFC), with a focus on school facilities issues.

She has over ten years of experience in the State advocacy sector, helping clients from small associations to large companies navigate the State budget, legislative, and regulatory processes. She previously served as a consultant to school districts participating in the State School Facility Program, assisting them with accessing state grant dollars for facility projects.

Rebekah has a B.A. in Political Science from the University of California, Berkeley.



## 2022 CSFC LEGISLATIVE UPDATE

**Rebekah Cearley**  
CSFC Legislative Advocate  
October 28, 2022

### POLITICAL LANDSCAPE



#### Legislature's mass exodus – the “Great Resignation”

- Over ¼ of incumbents are termed out or not seeking re-election
- Assembly Speaker TBD
- Facilities champion?

#### Effects of the pandemic – and now construction – on lawmaking

- Governor ending the State of Emergency

#### Budget predominance continues ... in the era of earmarks

- Gann Limit
- Budget or bust – Governor's vetoes
- Revenues down in first quarter of FY 22-23

#### Election year politics

- How loud is your voice? (How deep are your pockets?)

#### 2023: the specter of economic slowdown



## 2022 BUDGET ACT — FACILITIES FUNDING

General Fund dollars for school facilities – *a big win!*

School Facility Program = \$4.2 billion committed

- FY 22-23: \$1.3 billion GF
- FY 23-24: \$2.06 billion GF (intent)
- FY 24-25: \$875 million GF (intent)

Preschool, TK, and FDK = \$1.1 billion committed

- FY 21-22: \$490 million GF
- FY 22-23: \$100 million GF
- FY 23-24: \$550 million GF (intent)

No funding for maintenance



## PROSPECTS FOR A 2024 BOND

Two proposed Nov. 2022 state school bond bills did not move forward

- AB 75 (O'Donnell) - \$12 billion K-14
- SB 22 (Glazer) - \$15.5 billion K-University

Applications submitted today do not have a funding source identified

- Acknowledged List = \$4.1 billion as of August 31

Key actors are exploring introduction of a 2024 bond bill

- The long game



## CSFC 2022 PRIORITIES IN A FUTURE BOND

Extend FH status approval from 6 months to 12 months

Provide reservation of bond authority for Financial Hardship projects that receive a design apportionment

Provide a Financial Hardship funding and processing pool

Allow FH projects to retain savings – *DONE?*



## USE OF SAVINGS

California Court of Appeals – *San Bernardino City USD vs. State Allocation Board*,  
May 24, 2022

SAB regulations require savings to be returned if not used for another SFP Financial Hardship project within 3 years

Court of Appeal found that the regulation may be good policy but violates the Education Code

- Education Code allows districts to keep project savings

SAB action 10/26/22

- Regulatory amendments as a result of the Court's decision



## PROCUREMENT LEGISLATION/POLICY ISSUES

### **AB 902 (O'Donnell)/AB 185 – Progressive Design-Build**

- Signed by Governor
- CSFC neutral
- Creates “alternative design-build” process for projects over \$5 million
  - Authorizes open book procurement
  - Select the DBE through best value and negotiate Guaranteed Maximum Price later in the design process



## PROCUREMENT LEGISLATION/POLICY ISSUES

### **AB 2173 (Petrie-Norris) – Retention**

- Signed by the Governor
- CSFC Neutral
- Removes the sunset clauses on the 5% retention cap policy for public works projects
- Retains higher retention option for “substantially complex” projects

### **AB 846 (Low) – Job Order Contracting**

- Signed by the Governor
- CSFC neutral
- Extends K-12 job order contracting sunset by 5 years, until Jan. 1, 2027
- Adds skilled and trained workforce language for projects over \$25k



## PROCUREMENT LEGISLATION/POLICY ISSUES

### **SB 1422 (Hertzberg) – Alternative contracting – installation**

- Pilot – expires Jan. 1, 2028
- Authorizes local agencies (including schools) to use DGS contracts for purchase and installation of carpet, resilient flooring, synthetic turf, or lighting fixtures – without competitive bidding
  - Not for use with new construction
- Skilled and trained workforce requirements
- How helpful is this?
  - Contract amount cannot exceed competitive bidding threshold



## PROCUREMENT LEGISLATION/POLICY ISSUES

### **Design-Build**

- K-12 Design-Build authority sunsets Jan. 1, 2025

### **CUPCCAA – Informal Bid Limits**

- Last increased via AB 2249 (Cooley) – effective 2019
- CUPCCAA Commission reviews statutory limits every 5 years and makes recommendation on potential increases



## SCHOOL FACILITIES BILLS

### **AB 1867 (Lee) – Plumbing Fixtures**

- CSFC Oppose Unless Amended (prior version)
- SFP modernization projects shall include faucet aerators and water-conserving plumbing fixtures in bathrooms if the space to be modernized includes an existing faucet/plumbing fixture
- We negotiated amendments to minimize the scope
- Triggered by passage of new state bond

### **AB 2638 (Bloom) – Water Bottle Filling Stations**

- CSFC Neutral
- Requires SFP new construction or modernization projects to include water bottle filling stations
- Modernization: minimum of one station
- NC: minimum of one station per 350 people
- Triggered by passage of new state bond



## AB 2232 (MCCARTY) – HVAC INSPECTIONS & CO<sub>2</sub> MONITORS

CSFC position: Oppose Unless Amended (prior version)

Signed by the Governor

Requires community colleges to have HVAC systems that meet minimum Title 24 ventilation requirements, unless the system cannot do so safely or efficiently

- Or ensure the system meets requirements in effect at the time the building permit for system installation was issued.
- Install MERV 13 filters, where feasible

DSA shall research, develop, and propose for adoption mandatory CO<sub>2</sub> monitor standards for all classrooms

Prior version:

- Required installation of CO<sub>2</sub> monitors in all classrooms – with no funding
- Essentially mandated contracting out for key M&O duties





## SB 1144 (WIENER) – WATER QUALITY ASSESSMENTS

CSFC position: Oppose

VETOED by the Governor

Unfunded mandates – schools and “state buildings”

- Prepare water efficiency and quality assessment report (in phases, by Dec. 1, 2030 for all buildings)
- Inventory non-compliant plumbing fixtures
- Evaluate if a building contains lead pipe/pipe of unknown material
- Test water quality in potable water system for lead contamination
- If building contains cooling tower – determine if there is a water management program

Implement a Legionella management program – for buildings over 10 stories with cooling tower system built before Jan. 1, 2013



## SB 1144 (WIENER), CONTINUED

Subject to available funding/required if funding is “expressly earmarked for this purpose”

- Replace non-compliant plumbing fixtures
- Add filters if potable water system is contaminated with lead
- Add filters to drinking fountains – for buildings with non-lead-free pipe
- Replace lead pipe
- Implement water quality management plan if lead pipe is not replaced within 12 months of assessment



## IMPLEMENTING LEGISLATION

### SB 1383 – Organics Recycling

- Worked with CalRecycle on program implementation/rollout

### Preschool, TK, FDK Facilities Grant Program

- OPSC regulatory development
- Funding for preschools!

### Facility Inspection Tool Update

- Updated form – advocacy for simple/effective tool from OPSC

### Water/Environmental/Sustainability

- TBD – EV charging stations, stormwater, Building Code updates



## QUESTIONS?

**Rebekah Cearley**

Legislative Advocate

[rcearley@m-w-h.com](mailto:rcearley@m-w-h.com)

**County School Facilities Consortium**

1303 J Street, Suite 520

Sacramento, CA 95814

(916) 441-3300