



Proposition 51



Issues Committee
I.D. 980478

Need for a State School Bond

Q. Why is CASH sponsoring a new State School Bond on the November 8, 2016 General Election Ballot?

Answer. The state is out of matching funds and that means many needed and eligible local projects might not be built. There is almost \$2 billion in projects already waiting for state review and approval for funding but that cannot be funded because the state is out of funds. CASH expects eligible projects will continue to be submitted for funding.

Q. Is that all of the need?

Answer. No. Already more than \$23 billion in K-12 education facility need has been identified by 119 school districts. Community colleges have additional need and they also are part of the CASH sponsored state school bond.

Q. If there is no bond then developers will pay all of the costs right?

Answer. No. If there is no bond developers will have to pay Level 3 fees but those fees do not pay the full costs on new construction (most recent data shows that Level 3 fees would pay less than 80% of the full cost for new construction) and are generally not available for modernization. Community Colleges cannot levy developer fees so many of those projects would not be built.

Q. Statewide the number of students is staying flat. Why do we need new schools and a state school bond to help build new schools?

Answer. While statewide the K-12 student population is mainly flat, there are growing school districts and declining enrollment school districts. There are 437 growing school districts, of which, 169 had growth of greater than 100 students in three years.. We cannot bus students the miles and miles from a growing district to a declining district. Additionally, Community College enrollment growth is expected to increase.

Q. There are a lot of local school bonds. Why is a state match important?

Answer. A state match will stretch local bonds to fund more projects than could be done locally because of the tax rate caps. Additionally state matching funds help pass local bonds. Without state matching funds, fewer local bonds will pass.

Q. How much combined state and local infrastructure do you expect to come from this bond?

Answer. We expect a total of about \$17.5 billion. That should create 225,000 new good paying jobs during the life of this bond.