



Issues Committee  
I.D. 980478

# 2016 State School Bond Initiative Campaign \$9 Billion

## State School Bond Background:

Since 2008, the Coalition for Adequate School Housing (C.A.S.H.) has worked with two administrations (Schwarzenegger and Brown) to place a State School Bond on a statewide general election ballot.

First, it was the recession; next it was “wait until after Proposition 30;” and then it was “no new state debt for schools.”

Last year the State School Bond legislation (AB 2235) received no negative votes as it passed Assembly Committees and the Assembly Floor, and the Senate Education and Appropriations Committees. The Legislature and Governor concluded, however, that a State School Bond was a lower priority than passing a water bond.

The Governor continues not to want a State School Bond and the Legislature continues to fund different priorities. Additionally, the Legislature does not appear to be interested in allowing school districts to increase developer fees and the Governor only appears to want voters to increase local school district debt.

C.A.S.H. and the California Building Industry Association (CBIA) have concluded that a State School Bond has to be guaranteed for the 2016 November General Election ballot. This is the only way to prevent developer and local school conflicts where some districts will be able to have full mitigation, but other districts will not be able to have mitigation that meets their facility needs.

Therefore, C.A.S.H. and CBIA have partnered and created the Californians for Quality Schools (CQS) to place a \$9 billion State School Bond on the November 2016 General Election ballot.

We, through CQS, can guarantee a State School Bond on the November 2016 ballot IF we raise enough money to gather the signatures for the initiative. We will need 366,000 valid signatures to qualify. Because not every person signing will be a registered voter, we will need approximately 563,000 raw signatures to ensure having 366,000 valid signatures.

To guarantee success, we have a budget that requires \$1.2 million from the C.A.S.H. Issues Committee to be matched by CBIA.

Any money raised for the signature gathering, if not needed for the signature effort, will be used for the 2016 State School Bond campaign.

The Attorney General of California has prepared the following title and summary of the chief purpose and points of the proposed measure:

**SCHOOL BONDS. FUNDING FOR K-12 SCHOOL AND COMMUNITY COLLEGE**

**FACILITIES. INITIATIVE STATUTORY AMENDMENT.** Authorizes \$9 billion in general obligation bonds: \$3 billion for new construction and \$3 billion for modernization of K-12 public school facilities; \$1 billion for charter schools and vocational education facilities; and \$2 billion for California Community Colleges facilities. Bars amendment to existing authority to levy developer fees to fund school facilities, until new construction bond proceeds are spent or December 31, 2020, whichever is earlier. Bars amendment to existing State Allocation Board process for allocating school construction funding, as to these bonds. Appropriates money from the General Fund to pay off bonds. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: **State General Fund costs of \$17.6 billion to pay off principal (\$9 billion) and interest (\$8.6 billion) on bonds over a period of 35 years. Annual payments would average \$500 million. Annual payments would be relatively low in the initial and final few years and somewhat higher in the intervening years. (15-0005.)**



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## State School Bond Initiative

### Governor Brown and the School Bond Initiative

**Q. Will the Governor retaliate against firms supporting the school bond initiative?**

**Answer:** NO. When Californians for Quality Schools met with the Governor's staff they did not indicate any anger. In fact, they said that they had expected we would propose an initiative.

**Answer:** The Governor has not called or taken any actions against CBIA or C.A.S.H. member contributor firms. If there was going to be retaliation, it would have happened by now.

**Answer:** The Governor is not that type of person.

**Q. Can the bond pass if the Governor is opposed?**

**Answer:** YES. We polled on the question of voter support if the Governor opposed. The voters still support a state school bond by almost 60%.

**Answer:** The Governor has said he does not *support* placing a state school bond on the ballot. Not supporting is not the same as opposing. The Governor was very careful in his choice of words.

**Answer:** The Governor did not say he would oppose the people placing a state school bond on the ballot.

**Q. Is it OK to wait to contribute until after the initiative qualifies?**

**Answer:** NO. If the initiative does not qualify, there will be no bond on the ballot and no campaign.

**Q. Can we wait until 2018 and hope the Governor changes his mind and supports a state school bond?**

**Answer:** The Governor has not changed his mind for the past 5 years. There is no reason to expect change in 2017 or 2018.

**Answer:** The Governor does not want a state-matching school facility program similar to the current program. Stopping the placement of a bond on the ballot means the Governor's program is adopted by default - no state matching funds because we are out of state matching funds.

**Q. Can the Governor or Legislature take our state school bond off the ballot after it qualifies?**

**Answer:** NO. The Constitution provides that once qualified, neither the Governor nor the Legislature can take the initiative off the ballot.

**Q. Can the Governor just stop selling new state school bonds even if the voters approve the initiative?**

**Answer:** While legally possible, it is politically impossible, especially given this Governor's political philosophy.

**Answer:** The Governor will not ignore the voters' will as expressed in a direct vote. He does respect the voters' will.



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## State School Bond Initiative

### Local School Bonds and My Firm

**Q. Why should my firm contribute?**

**Answer:** Local school bonds are more difficult to pass when there are no state matching funds; consequently, you will be asked to contribute even more if there is no State School Bond on the ballot. Taxpayers do not like to pay 100% of school facility costs through local property tax increases.

**Answer:** When there is a state match, twice as many projects, in dollar volume, can be done. This means there can be twice as much possible work.

**Q. How do I know my firm's projects will be funded?**

**Answer:** There is a \$2 billion K-12 backlog and the initiative is for an additional \$7 billion. While there are no guarantees, it seems like good odds.

**Q. Why not just use developer fees to match local bonds?**

**Answer:** There is no state political will to force Level 3 fees or to change Level 2 fee requirements.

**Answer:** The State Allocation Board (SAB) is not even adjusting the New Construction grant amounts to calculate a fee increase. Usually this is done in January, but there is no expectation it will be done in April or any time soon. Both the business community and the political community want to have lower school fees.

**Q. Why are you asking my firm for a contribution? Shouldn't school districts and developers fund the initiative?**

**Answer:** Schools are legally prohibited from using public funds for initiative signature gathering and political campaigns.

**Answer:** Developers are matching C.A.S.H.'s funds; they are contributing.



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## 2016 State School Bond Contributor Benefits

All Contributors at the Triple Diamond Level (\$50,000 and greater) will receive:



- Logo for use on your letterhead, advertising materials and website showing your support until December 31, 2016.
- Recognition from the podium at 2015 and 2016 Fall Conferences opening sessions.
- Recognition from the podium at the 2016 Annual Conference opening session.
- Recognition in the 2015-16 C.A.S.H. Membership Directory.
- Recognition at monthly general meetings through November election.
- Listing in materials at monthly workshops through November election.
- Picture in State School Bond *CASH Register* article.
- Listing on C.A.S.H. website, the *CASH Register California School Facilities News* website with URL link during bond campaign and in the post-bond *Thank You* article.
- Listing in materials for 2015 and 2016 Fall Conferences and Triple Diamond nametag ribbons for all attendees of firm.
- Listing in materials for 2016 Annual Conference and Triple Diamond nametag ribbons for all attendees of firm.

All Contributors at the Double Diamond Level (\$40,000 - \$49,999) will receive:

- Recognition in the 2015-16 C.A.S.H. Membership Directory.
- Recognition at monthly general meetings through November election.
- Listing in materials at monthly workshops through November election.
- Picture in State School Bond *CASH Register* article.
- Listing on C.A.S.H. website, the *CASH Register California School Facilities News* website with URL link during bond campaign and in the post-bond *Thank You* article.
- Listing in materials for 2015 and 2016 Fall Conferences and Double Diamond nametag ribbons for all attendees of firm.
- Listing in materials for 2016 Annual Conference and Double Diamond nametag ribbons for all attendees of firm.



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**All Contributors at the Diamond Level (\$30,000 - \$39,999) will receive:**

- Recognition in the 2015-16 C.A.S.H. Membership Directory.
- Recognition at monthly general meetings through November election.
- Listing in materials at monthly workshops through November election.
- Listing on C.A.S.H. website, the *CASH Register California School Facilities News* website with URL link during bond campaign and in the post-bond *Thank You* article.
- Listing in materials for 2015 and 2016 Fall Conferences and contribution level nametag ribbons for all attendees of firm.
- Listing in materials for 2016 Annual Conference and contribution level nametag ribbons for all attendees of firm.

**All Contributors at the Platinum Level (\$25,000 - \$29,999) will receive:**

- Recognition at monthly general meetings through November election.
- Listing in materials at monthly workshops through November election.
- Listing on C.A.S.H. website, the *CASH Register California School Facilities News* website with URL link during bond campaign and in the post-bond *Thank You* article.
- Listing in materials for 2015 and 2016 Fall Conferences and contribution level nametag ribbons for all attendees of firm.
- Listing in materials for 2016 Annual Conference and contribution level nametag ribbons for all attendees of firm.

**All Contributors at the Gold Level (\$20,000 - \$24,999) will receive:**

- Listing on C.A.S.H. website, the *CASH Register California School Facilities News* website with URL link during bond campaign and in the post-bond *Thank You* article.
- Listing in materials for 2015 and 2016 Fall Conferences and contribution level nametag ribbons for all attendees of firm.
- Listing in materials for 2016 Annual Conference and contribution level nametag ribbons for all attendees of firm.
- Listing in materials at monthly workshops through November election.

**All Contributors at the Silver Level (\$10,000 - \$19,999) will receive:**

- Listing in materials for 2015 and 2016 Fall Conferences and contribution level nametag ribbons for all attendees of firm.
- Listing in materials at monthly workshops through November election.
- Listing on home page of C.A.S.H. website.
- Listing on C.A.S.H. website, the *CASH Register California School Facilities News* website with URL link during bond campaign and in the post-bond *Thank You* article.

**All Contributors at the Bronze Level (\$5,000- \$9,999) will receive:**

- Listing on home page of C.A.S.H. website.
- Listing on the *CASH Register California School Facilities News* website with URL link during bond campaign and in the post-bond *Thank You* article.

**All Contributors (\$1 - \$4,999) will receive:**

- Contributor button.

COALITION FOR ADEQUATE SCHOOL HOUSING

ISSUES COMMITTEE

FPPC I. D. No. 980478

Contribution Request Form

Please take a moment and contribute to the Coalition for Adequate School Housing Issues Committee.

\$5,000       \$10,000       \$20,000       \$25,000       \$30,000

Other Contribution Amount:\$ \_\_\_\_\_

Contributor Company: \_\_\_\_\_

Contributor Contact Name: \_\_\_\_\_

Street Address: \_\_\_\_\_

City, State Zip: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Email: \_\_\_\_\_

If Contributor is an individual, please include:

Occupation: \_\_\_\_\_

Employer: \_\_\_\_\_

To contribute by credit card, please provide the following information:

Cardholder: \_\_\_\_\_

Card Number: \_\_\_\_\_

Visa     MasterCard    Signature: \_\_\_\_\_

Is this a personal credit card or a company card?

Personal     Company    Expiration Date : \_\_\_\_\_

Otherwise, please include this form with a check to be deposited and mail or messenger to:

Coalition for Adequate School Housing Issues Committee  
Steven S. Lucas, Treasurer  
2350 Kerner Blvd. Suite 250  
San Rafael, CA 94901-5546  
(415) 634-6871

To expedite recognition for your contribution on the C.A.S.H. websites and at C.A.S.H. events,  
please fax a copy of this form to (415) 388-6874 or email to [dsmith@nmgovlaw.com](mailto:dsmith@nmgovlaw.com).

Contributions to the Coalition for Adequate School Housing Issues Committee are not deductible as charitable contributions for federal income tax purposes. Moreover, contributions are for the purpose of influencing voters on ballot measures and are regarded as payments for "grassroots lobbying" which are not deductible as a business expense (IRS Regulation 1.162-20 [b], [c]). Contributions from foreign principals may not be accepted.