



**CALIFORNIA SCHOOL FINANCE AUTHORITY
915 CAPITOL MALL, SUITE 220W
SACRAMENTO, CA 95814**

**Title 4, Division 15, Article 1.6,
CALIFORNIA CODE OF REGULATIONS
Charter School Revolving Loan Fund Program**

ADDENDUM OF THE FINDING OF EMERGENCY

FISCAL IMPACT:

Pursuant to Government Code section 11346.5(a)(6), the Authority has evaluated the potential fiscal impacts associated with the proposed regulatory action and has determined the following:

State Agencies: Refer to Finding of Emergency for estimate.

Local Agencies and School Districts (Reimbursable Mandates): The proposed regulatory action will not impose costs on local agencies or school districts that would require reimbursement.

Other Nondiscretionary Costs or Savings to Local Agencies: The proposed regulatory action does not impose any nondiscretionary costs or savings on local agencies.

Federal Funding to the State: The proposed regulatory action will not result in any cost or savings in federal funding to the State of California.

Accordingly, the Authority has determined that the proposed regulatory action has no fiscal impact within the meaning of Government Code section 11346.5(a)(6).

PURPOSE AND NECESSITY:

10170.20 (d)(4): Section 10170.20 establishes priority criteria to be applied when the Authority receives more eligible applications than available program funding during an application cycle. Subdivision (c) establishes the overall priority structure among applicant categories, and subdivision (d) establishes the method by which the Authority will rank applications within those categories when funding is insufficient to support all eligible applicants.

Subdivision (d)(4) is necessary to address circumstances in which the amount of funding remaining within an application cycle is insufficient to maintain equal regional representation as described in subdivisions (d)(1) through (d)(3). In such circumstances, the Authority requires a clear and transparent method for determining how remaining funds will be allocated among otherwise eligible applicants.



**CALIFORNIA SCHOOL FINANCE AUTHORITY
915 CAPITOL MALL, SUITE 220W
SACRAMENTO, CA 95814**

Subdivision (d)(4) establishes a sequential regional prioritization process, beginning with Region one and continuing numerically through Region four, to determine the order in which remaining eligible applicants will be funded when equal regional representation cannot be achieved due to funding limitations.

10170.21 (b): For purposes of clarity and organization, the provisions previously contained in section 10170.21(b), which require the Authority to consider the term of the charter and the amount of the loan in establishing the repayment period, have been relocated to section 10170.21(d). Subsection (d) establishes the maximum allowable repayment periods for Program loans. Relocating this provision ensures that all requirements governing the determination and limitation of loan repayment periods are addressed in a single subdivision.