

Proposition 2 vs. Measure E Overview

In June 2024, the California Legislature approved the placement of an Education Facilities Bond, Proposition 2, on the statewide November 2024 ballot. This will be before voters in the LUSD boundary at the same time as Measure E, a **local** education facilities bond measure.

Importantly, the state and public-school districts typically split the cost of new construction and renovation projects. School districts are expected to pay remaining project costs using local funds. California mainly uses bonds to pay its share of state costs and school districts pay their share of costs, including matching funds requirements, using local bonds.

Proposition 2 - Education Facilities Bond: The Proposition seeks approval from California voters for a statewide \$10 billion bond to address the needs of aging educational facilities. If passed, \$8.5 billion will be allocated for renovating or constructing new K-12 buildings, while the remaining \$1.5 billion will be designated for community colleges. For new construction and renovation projects, school districts would apply for and be awarded funding mainly on a first-come, first-served basis. Although the measure provides benefits to small school districts, LUSD does not qualify as it has more than 3,000 students which is above the "small district" threshold defined in the measure at 2,500 students. According to fiscal experts, it will result in increased state costs of about \$500 million annually for 35 years to repay the bond.

This marks the second time in five years that voters are being asked to authorize the state to incur debt for school infrastructure, as voters rejected a \$15 billion school bond in March 2020.

<u>Measure E:</u> This <u>local</u> bond measure will provide funding to make repairs and upgrade aging classrooms and school facilities in LUSD schools. All funding is legally required to stay within LUSD and may <u>not</u> be taken or used by the state for any other purpose. Further, funding from Measure E may only be used for repair and upgrades to school facilities, <u>not</u> for new LUSD schools, administrators' salaries, pensions or other general operating expenses.

Whether or not you are supportive of the statewide bond under Proposition 2, we would urge you to consider the importance of and direct, local benefit of Measure E to our LUSD sites. Such funding under Measure E is critical to supporting urgent repairs and upgrades to our aging schools. We can't do it without your support. The safety of our children, LUSD staff, and community and long-term viability of our important school system depend on your support.