

CLIENT NEWS BRIEF

New Regulations Proposed To Calculate “Direct Costs” Under the Civic Center Act

The California Department of Education recently released proposed regulations which would provide guidance in calculating the direct costs that school districts may recover for use of their facilities under the Civic Center Act. The new regulations were proposed in accordance with last year’s Senate Bill (SB) 1404, which amended the Civic Center Act to expand the types of direct costs that school districts may charge for use of school facilities or grounds. ([See Client News Brief No. 64, October 2012.](#))

If adopted in their current form, the regulations would provide for two types of direct costs - capital costs and operational costs - and would also provide a formula for calculating each user's proportional share of these costs. “Capital costs” would include items such as the costs to repair, restore and refurbish facilities and grounds. “Operational costs” would include, among other things, items such as the costs of salaries and benefits for school district employees required to operate, clean and maintain the facilities or grounds, including janitorial services and security.

The 45-day period for public comments on the proposed regulations will end on November 4, 2013, unless extended. A public hearing on the proposed regulations is scheduled for November 4, 2013. The regulations will go into effect January 1, 2014 or later, depending upon when the Office of Administrative Law approves and files them with the Secretary of State.

After the regulations are finalized, districts should plan to review their facility use policies and their related procedures. We will continue to monitor the status of the proposed regulations and provide updates as they become available. The proposed regulations may be reviewed at the link below:

<http://www.cde.ca.gov/re/lr/rr/civiccenteract.asp>

If you have any questions regarding the proposed regulations, or other issues related to the Civic Center Act, please feel free to contact one of our [eight offices](#) located statewide. You can also visit our [website](#), follow us on [Facebook](#) or [Twitter](#), or download our [Client News Brief App](#).

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