

Date of Hearing: August 16, 2023

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Chris Holden, Chair

SB 28 (Glazer) – As Introduced December 5, 2022

Policy Committee:	Higher Education	Vote:	9 - 1
	Education		4 - 2

Urgency: No State Mandated Local Program: No Reimbursable: No

SUMMARY:

This bill authorizes a \$15 billion bond measure for the construction and modernization of public preschool, K-12, California Community College (CCC), University of California (UC), and California State University (CSU) facilities to be placed on the ballot for the March 2024 statewide primary election.

Of the \$15 billion, \$9 billion is to be used for preschool to grade 12 school facilities. Specifically, \$2.8 billion is for new construction, \$5.2 billion is for modernization, \$500 million is for charter schools, and \$500 million is for career technical education. The remaining \$6 billion is to be used for higher education facilities. Specifically, \$2 million for CCC, \$2 million for CSU, and \$2 billion for UC, with \$50 million of this to fund construction to support the Charles R. Drew University of Medicine and Sciences' new medical school program.

FISCAL EFFECT:

- 1) Total principal and interest costs of \$29 billion (\$15 billion in principal and \$14 billion in interest). Annual General Fund debt service of \$967 million annually beginning in 2026, after all bonds are sold, assuming they are sold in two years. This assumes an interest rate of 5% and a 30-year maturity.
- 2) The Secretary of State's office estimates one-time costs of approximately \$1.6 million General Fund for printing and mailing should this bond measure be placed on the November 2024 ballot. It costs approximately \$123,000 per page for printing costs related to the Voter Information Guide and the text of proposed laws for each new ballot measure.

COMMENTS:

- 1) **Background.** The last K-14 statewide bond measure was passed by voters in 2016. The measure, known as Proposition 51, or California Public School Facility Bonds Initiative, was placed on the November 2016 statewide ballot using the initiative process. The measure provided \$9 billion, with \$7 billion for K-12 schools and \$2 billion for community colleges. The measure received 55% of the vote.

AB 48 (O'Donnell and Glazer), Chapter 530, Statutes of 2019, placed a \$15 billion bond, known as Proposition 13, or the Public Preschool, K-12, and College Health and Safety Bond Act of 2020, on the March 2020 statewide ballot. The measure would have provided \$9

billion to improve school facilities and \$6 billion for public universities and community colleges. The measure received 47% of the vote and, therefore, did not pass.

- 2) **Related Legislation.** AB 247 (Muratsuchi) would place the Transitional Kindergarten-Community Colleges Public Education Facilities Bond Act on an unspecified 2024 statewide ballot for \$14 billion. The bill is pending in the Senate Appropriations Committee.
- 3) **Prior Legislation.** SB 22 (Glazer), of the 2021-22 Legislative Session, was substantially similar to this bill. The bill was held in the Assembly Education Committee.

AB 75 (O'Donnell), of the 2021-22 Legislative Session, would have placed the Kindergarten-Community Colleges Public Education Facilities Bond Act of 2022 on the 2022 statewide ballot. The bill was held in the Senate Education Committee.

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