SENATE COMMITTEE ON APPROPRIATIONS
Senator Sabrina Cervantes, Chair
2025 - 2026 Regular Session

AB 2316 (Hoover) - School facilities: Charter School Facilities Program: undue financial burden

Version: April 6, 2026
Urgency: No
Hearing Date: August 13, 2026

Policy Vote: ED. 7 - 0
Mandate: No
Consultant: Lenin Del Castillo

Bill Summary: This bill authorizes the State Allocation Board (SAB) to reduce a charter school's required 50% local share under the Charter School Facilities Program (CSFP) when the California School Finance Authority (CSFA) determines the obligation would impose an undue financial burden, and to correspondingly increase the state grant amount. The bill also requires the adoption of regulations establishing criteria for making that determination.

*********** ANALYSIS ADDENDUM – SUSPENSE FILE ***********
The following information is revised to reflect amendments adopted by the committee on August 13, 2026

Fiscal Impact:

- The Office of Public School Construction (OPSC) estimates one-time costs of approximately $293,000 in existing bond funds to comply with the bill's requirements, including $218,000 to conduct interest holder meetings and update regulations and $75,000 in programming updates for its online application system. The OPSC also anticipates additional workload to review grant increase requests. Depending on the number and frequency of these requests, the costs could be in the high hundreds of thousands of dollars in bond funds each year.

- The OPSC indicates that by reducing the local share for charter school applicants and thereby increasing the amount of state funding that these applicants can qualify for, this bill could create increased pressures on CSFP funds in the hundreds of thousands to millions of dollars, thereby reducing the total number of projects that could be funded in the future. OPSC received 116 applications from 91 charter schools requesting $2.78 billion in state funding during the most recent CSFP application filing round for $600 million authorized by the passage of Proposition 2 in 2024.

- The California School Finance Authority estimates ongoing special fund costs ranging from $1.3 million to $2.3 million each year to administer a new hardship determination framework while coordinating with the SAB, California Department of Education (CDE), and the Fiscal Crisis Management and Assistance Team (FCMAT). The exact costs will depend on the number of additional staff that are necessary to implement the bill's provisions.

Author Amendments: Specify that the bill's provisions apply prospectively and make other clarifying changes.

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