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

AB 611 (Lee) - Voluntary tax contribution funds: spinal cord injury research

Version: June 25, 2026
Urgency: No
Hearing Date: August 3, 2026

Policy Vote: REV. & TAX. 4 - 0
Mandate: No
Consultant: Robert Ingenito

Bill Summary: AB 611 would (1) establish the California Spinal Cord Injury Research Voluntary Tax Contribution Fund, and (2) authorize taxpayers to make a voluntary contribution to the Fund on their state personal income tax return for tax years 2027 through 2033.

Fiscal Impact:

- The Franchise Tax Board (FTB) indicates that this bill would result in annual General Fund revenue losses of $6,000, beginning in 2028-29. FTB administrative costs would be minor and absorbable.
- The bill would result in an annual administrative cost pressure in the low hundreds of thousands of dollars to the University of California (UC). The bill's language permits UC to use 5 percent of donated funds for administrative purposes. However, UC indicates that it would incur annual administrative costs of $165,000, considerably more than five percent of estimated donations (General Fund, see Staff Comments).

Background: California's Personal Income Tax (PIT) return includes a series of voluntary contribution funds (VCFs), commonly referred to as "check-offs," that allow taxpayers to direct a portion of their tax refund to specified charitable or public-benefit purposes. Contributions may be designated only when a taxpayer's payments and credits exceed the amount of tax owed. Taxpayers who make a contribution may claim a charitable deduction for the taxable year in which the contribution is made.

VCFs are established individually through legislation and are administered either by a state agency or, in certain cases, through direct allocation by the State Controller to a designated nonprofit organization. Contributions support a wide range of purposes, including medical research, emergency food assistance, wildlife conservation, homelessness prevention, and memorial foundations.

State law generally requires a VCF to generate a minimum annual contribution amount, currently $250,000 and adjusted periodically for inflation, beginning with the fund's second year on the PIT return. Each year, the Franchise Tax Board (FTB) determines whether a fund is projected to meet the required threshold; funds that fail to do so are removed from the return in the following calendar year. Four funds are exempt from the minimum contribution requirement: the California Firefighters' Memorial Foundation Fund, California Peace Officer Memorial Foundation Fund, California Senior Citizen Advocacy Voluntary Tax Contribution Fund, and California Seniors Special Fund.

For tax year 2025, 18 VCFs appeared on the PIT return. Two funds—the California Sea Otter Fund and the Keep Arts in Schools Fund—subsequently became inactive after failing to meet the statutory minimum contribution requirement. The Legislature authorized two new funds in 2025, the California Pediatric Cancer Research Voluntary Tax Contribution Fund and the Parkinson's Disease Research Voluntary Tax Contribution Fund, resulting in 18 active VCFs for the 2026 calendar year.

Total contributions to VCFs in 2025 were approximately $4.9 million, with an average contribution of roughly $274,000 per fund. The State Parks Protection Fund/Parks Pass Purchase option generated the highest level of contributions in 2025, while the Emergency Food for Families Fund has historically received the largest average annual contributions.

Following collection by FTB, contributions are deposited into the fund associated with the applicable VCF, net of administrative costs. Most funds are administered by a state agency for expenditure consistent with the statutory purpose of the fund. In a limited number of cases, such as the California Firefighters' Memorial Foundation Fund, the State Controller distributes contributions directly to the designated nonprofit entity.

In response to concerns regarding transparency, accountability, and timeliness in the administration of VCFs, the Senate Committee on Governance and Finance conducted an oversight hearing in 2015 and identified several best practices for the program. The Legislature subsequently enacted SB 1476 (Wolk, 2016), which established uniform requirements for VCFs enacted or extended on or after January 2, 2017. Among other provisions, SB 1476 required that: (1) the fund name include the phrase "voluntary tax contribution", (2) the administering agency publicly report information regarding the receipt and expenditure of contributions, (3) funds meet the statutory minimum contribution threshold beginning in their second year on the return, and (4) funds generally sunset on January 1 of the seventh calendar year following their first appearance on the PIT return.

AB 750 established the Roman Reed Spinal Cord Injury Research Act of 1999, creating a University of California-administered grant program to support research into treatments and potential cures for spinal cord injuries. The measure provided a continuous appropriation of $16 million annually from the General Fund and was originally scheduled to sunset in 2006. AB 1794 extended the program's sunset date to January 1, 2011. Subsequently, AB 1931 eliminated the repeal date and authorized UC to maintain an independent fund to receive public and private contributions. Legislative analyses at the time noted that the originally envisioned State Treasury fund had never been established and that the program had instead operated through University-administered appropriations.

Although the statutory authority for the program remained in place, dedicated state funding was not renewed, and the state-funded grant program eventually ended. According to the University of California, Irvine, the Roman Reed Core Laboratory has continued certain activities using local funding sources and currently provides training and technical support for researchers entering the field of spinal cord injury research.

Proposed Law: This bill, among other things, would do the following:

- Establish the California Spinal Cord Injury Research Voluntary Tax Contribution Fund and authorize a taxpayer to make a voluntary contribution to the fund on their state personal income tax return for tax years 2027 to 2033, if the fund meets the minimum annual contribution amount of $250,000.

- Allocate contributions to the Fund to the UC for distribution of grants for the purposes of researching the treatment of spinal cord injuries, pursuant to the Roman Reed Spinal Cord Injury Research Act of 1999.

- Authorize UC to use up to 5 percent of the money for administering and promoting the program.

Staff Comments: As noted above, UC estimates annual costs of $165,000 annually to implement this bill. UC notes that the spinal cord research grant program is not currently active; consequently, UC would require one position to run the grant program. Additionally, UC anticipates a cost of up to $15,000 annually for outside reviewers to review the grant applications.

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