
SENATE COMMITTEE ON APPROPRIATIONS

Senator Anna Caballero, Chair
2025 - 2026 Regular Session

SB 492 (Menjivar) - Youth Housing Bond Act of 2026

Version: January 8, 2026

Urgency: Yes

Hearing Date: January 22, 2026

Policy Vote: HOUSING 9 - 1

Mandate: No

Consultant: Mark McKenzie

Bill Summary: SB 492, an urgency measure, would enact the Youth Housing Bond Act of 2026, which authorizes the sale of an unspecified amount of general obligation bonds for youth center and youth housing purposes, upon approval by voters at the next statewide general election.

***** ANALYSIS ADDENDUM – SUSPENSE FILE *****

The following information is revised to reflect amendments
adopted by the committee on January 22, 2026

Fiscal Impact:

- **Bond costs:** Total principal and interest costs to pay off the bonds would be approximately \$1.739 billion (\$1 billion in principal and \$739 million in interest), with average annual debt service payments of \$58 million (General Fund), when all bonds are sold, and assuming a 30-year maturity and an interest rate of 4.02% (the average weighted interest rate secured by the State Treasurer over several general obligation bond sales in 2025). If interest rates increase to 5% in the near future, annual debt service would be approximately \$65 million (General Fund) and total principal and interest costs over the repayment period would be approximately \$1.952 billion.
- **Administrative costs:** The Department of Housing and Community Development (HCD) would incur significant increased staffing and operations costs, likely in the low- to mid-millions annually, and up to \$50 million in the aggregate over the life of the bonds, to administer the new Youth Housing Program established by this measure (2026 Youth Housing Bond Fund). This measure authorizes HCD to use up to 5% of bond proceeds appropriated to the department for its administrative costs, which the department indicates is sufficient to cover their administrative costs.
- **Ballot costs:** One-time Secretary of State (SOS) costs in the range of \$784,000 to \$984,000 (General Fund) in the 2026-27 fiscal year for printing and mailing costs to place the measure in the Voter Information Guide ballot pamphlet for the November 3, 2026 statewide general election. To the extent that it is not possible for the SOS to include this measure in the main Voter Information Guide ballot pamphlet for the November general election, costs for the SOS to generate and mail a supplemental pamphlet to the voters would be significantly higher. Preliminary estimates indicate that these one-time costs could be in the range of \$4 million. (General Fund)

Author Amendments:

- Fill in the blanks in the bill, authorizing the sale of \$1 billion in general obligation bonds, and specifying that \$100 million would be available for youth centers and \$900 million would be available for youth housing.
- Delete provisions requiring HCD to create and consult with a specified advisory committee.

-- END --