
SENATE COMMITTEE ON APPROPRIATIONS

Senator Sabrina Cervantes, Chair

2025 - 2026 Regular Session

SB 895 (Wiener) - California Science and Health Research Bond Act

Version: April 6, 2026

Policy Vote: HEALTH 9 - 2, N.R. & W. 5 -
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Urgency: No

Mandate: No

Hearing Date: May 14, 2026

Consultant: Agnes Lee

Bill Summary: SB 895 would establish the California Foundation for Science and Health Research within the Government Operations Agency; and authorize the sale of \$23 billion in general obligation bonds, upon approval by voters at the next statewide election, to finance grants and loans to fund research and construct, operate, and maintain facilities for research.

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

The following information is revised to reflect amendments
adopted by the committee on May 14, 2026

Fiscal Impact:

- **Bond costs:** The total principal and interest costs to pay off the bonds would be approximately \$21.5 billion (\$12 billion in principal and \$9.5 billion in interest), with average annual debt service payments of \$715 million (General Fund), when all bonds are sold, and assuming a 30-year maturity and an interest rate of 4.25% (the rate secured by the State Treasurer for a new bond at a recent sale). If interest rates increase to 5% in the near future, annual debt service would be approximately \$781 million (General Fund) and total principal and interest costs over the repayment period would be approximately \$23.4 billion.
- **Administrative costs:** Unknown costs for the Government Operations Agency, ranging from \$10 million to \$20 million, to establish and implement the program. State resources would be needed to support the foundation and the council in a variety of capacities, manage grants and loans, issue reports, conduct bond compliance activities and bond accounting activities, develop the foundation's strategic research and financial plans, and handle complex legal issues regarding intellectual property, patents, etc.

The measure would permit moneys from the proceeds of bonds to be used to pay for administrative costs of the foundation. The Government Operations Agency notes that the agency would likely need a General Fund loan to start up the foundation and the council, and to hire staff prior to the issuance of bonds. The General Fund loan would be paid back from bond proceeds in the future.

- **Ballot costs:** One-time General Fund costs to the Secretary of State (SOS) in the range of \$738,000 to \$984,000, for printing and mailing costs to place the measure on the ballot in a statewide election. Actual costs may be higher or lower, depending on the length of required elements and the overall size of the ballot.

Author Amendments: Create the California Foundation for Science and Health Research Benefit Fund, add legislative intent language, delete various provisions related to the bond issuance process, and add co-authors.

Committee Amendments: Reduce the amount of bond authorization from \$23 billion to \$12 billion.

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