



SB 28 – Education Finance: Public Preschool, K–12, and College Health and Safety Bond Act of 2024.

### **Summary:**

This bill places a \$15.5 billion bond on the 2024 ballot for facilities at public preschools, K-12 schools, California Community Colleges (CCC) campuses, University of California (UC) campuses, and California State University (CSU) campuses. Schools can use the bond monies to construct, reconstruct, and remodel existing or new facilities.

## **Background:**

For two decades starting in the 1980s, voters approved bonds for public higher education with some regularity: every two to four years. The voters approved the last statewide general obligation bond, Proposition 1D (AB 127, Núñez & Perata), in November 2006, authorizing \$10.4 billion in general obligation bonds. The measure earmarked \$3 billion for higher education facilities. By 2012, all of those funds were essentially exhausted.

In 2016, voters approved Proposition 51, a \$9 billion education facilities bond. But this bond did not include any bond money for the UC or CSU. Instead, the higher education systems raise capital funding in limited amounts through their General Revenue Bond Program and Systemwide Revenue Bond Program, respectively. This, however, is an unsustainable way for the segments to meet their capital needs.

For the first time in two decades, California voters rejected a statewide bond for public school construction, Proposition 13, in March 2020. With Proposition 13's defeat, the state has run out of matching funding for school construction. In March 2020, California voters rejected over 60 percent of local school bond initiatives, which have historically passed at a much higher rate.

However, since then, public support is growing for improving campus infrastructure: in November 2022, voters approved 71% of the 101 local school bond measures on the ballot.

### **Issue:**

According to Public Policy Institute of California, about two-thirds of the state's school facilities are more than 25 years old, and research has shown that it would cost over \$117 billion to modernize schools and colleges in the next decade.

Between fiscal years 2015–16 and 2018–19, 60 school districts closed 108 schools at least once due to poor facility conditions, including gas leaks, heating system failures, broken water pipes, pest infestations, and mold, asbestos, and lead contamination. The majority of these districts (41) are high-need districts, in which more than 55% of students are low income, English Learners, experiencing homelessness, or foster youth.

Since 2006, despite a deteriorated fiscal condition for both the UC and CSU, the state has not authorized any higher education-specific bonds. The UC's existing backlog of deferred maintenance totals \$7.3 billion. The CSU's totals \$6.5 billion. These include addressing fire, safety, and seismic deficiencies, and modernizing and constructing facilities to keep pace with current technology and workforce needs. Without sufficient funding, the UC and CSU's will not meet their capitol renewal needs.

### **Existing Law:**

In November 2016, voters approved the Kindergarten through Community College Public Education Facilities Bond Act of 2016 that authorized \$9 billion in general obligation bonds for K-12 (\$7 billion) and CCC facilities (\$2 billion).

The last higher education-specific bond passed was Proposition 153 in 1992, which authorized a bond issue of \$900 million for the strengthening, upgrading and constructing of public colleges and universities throughout the state.

# **Proposal:**

Maintaining capital assets and infrastructure, modernizing buildings, and ensuring adequate capacity are all essential to improving student outcomes. If approved by voters, this bill would authorize:

- \$6 billion for higher education, with \$2 billion each for community colleges, California State University and the University of California
- \$9 billion for K-12:
  - \$5.2 billion for renovations, with
    \$150 million earmarked for testing and reducing lead
  - o \$2.8 billion for new construction
  - o \$500 million for charter school facilities
  - \$500 million for career technical program facilities
  - o \$250 million for mental health and wellness centers
  - o \$250 million for school stadium lighting projects

Specifically, schools can use the bond monies, once authorized by the Legislature in the budget and approved by the Governor and then by the voters, for the construction, reconstruction, and remodeling of existing or new facilities, including the preconstruction and equipping of buildings and the acquisition of land.

#### **Support:**

None on file

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