

Date of Hearing: April 22, 2025

ASSEMBLY COMMITTEE ON HIGHER EDUCATION  
Mike Fong, Chair  
AB 48 (Alvarez) – As Amended April 10, 2025

**[Note: This bill is double referred to the Assembly Committee on Housing and Community Development and will be heard by that Committee as it relates to issues under its jurisdiction.]**

**SUBJECT:** Education finance: postsecondary education facilities: College Health and Safety Bond Act of 2026.

**SUMMARY:** Enacts the College Health and Safety Bond Act of 2026 as a state general obligation bond act that would provide an unspecified dollar amount to construct and modernize education facilities, as specified. The bond act would only become operative if approved by the voters at an unspecified statewide election in 2026. Specifically, **this bill:**

- 1) States that the Legislature intends to address the crisis of school facilities for all California students attending public community colleges and universities in order to:
  - a) Upgrade public school facilities for earthquakes and other emergencies;
  - b) Provide emergency funding to reopen schools following major disasters, including fires;
  - c) Remove mold, asbestos, and other hazardous materials from classrooms and lead from school drinking water;
  - d) Repair and replace aging public school buildings;
  - e) Provide space for school nurses and counselors to increase student access to health care and mental health services;
  - f) Modernize job, career, and vocational training facilities, including for veterans returning from duty;
  - g) Construct, renovate, and expand affordable student and employee housing at public universities and community colleges to address critical shortages;
  - h) Modernize existing student housing facilities to meet health, safety, and accessibility standards;
  - i) Require independent audits and public hearings to provide accountability for taxpayer dollars; and,
  - j) Cap administrative costs at 5%.

- 2) Increases the local bond capacity for California Community College (CCC) districts (CCD) from 1.25% to 2%.
- 3) Authorizes CCDs to issue bonds that, as specified, must not exceed 4% of the taxable property of the CCD, as specified.
- 4) Establishes the College Health and Safety Bond Act of 2026 as a state general obligation bond act that would provide an unspecified dollar amount to construct and modernize education facilities, as specified. The bond act would only become operative if approved by the voters at an unspecified statewide election in 2026. Requires the Legislature to prioritize repayment of bonds issued under this bond act from revenue sources outside of the moneys to be applied by the state for support of school districts and community college districts.
- 5) Creates the 2026 CCC Capital Outlay Bond Fund, and also uses the Higher Education Facilities Finance Committee (Committee), created by the Higher Education Facilities Bond Act of 1986.
- 6) Creates the 2026 University Capital Outlay Bond Fund, and also uses the Committee, created by the Higher Education Facilities Bond Act of 1986.
- 7) States the purpose of this measure, in part, includes assisting in meeting the capital outlay financing needs of the CCC, CSU, and UC, including the development of affordable student and employee housing.
- 8) Directs the Committee to authorize the issuance of bonds only to the extent necessary to fund the related apportionments for the purposes described in this bill that are expressly authorized by the Legislature in the annual Budget Act. Pursuant to that legislative direction, the Committee determines by resolution whether or not it is necessary or desirable to issue bonds.
- 9) Conditions the receipt of funding from its proposed bond by requiring the CSU Board of Trustees and the UC Board of Regents to adopt a five-year affordable student housing plan for each campus with specified contents, as well as updated reports for each campus by October 15 of each year. The CSU Board of Trustees and UC Board of Regents must use its affordable student housing plan as a key input in prioritizing projects from campuses it determines are improving, or will improve, access to affordable student housing, in addition to other key inputs.
- 10) Makes funds available to UC and CSU for assisting in meeting its capital outlay financing needs, including:
  - a) Construction, reconstruction, and remodeling of existing or new facilities and related fixtures;
  - b) Equipping of new, renovated, or reconstructed facilities;
  - c) Funding for the payment of preconstruction costs; and,

- d) Construction of off-campus facilities, so long as the respective governing board approved the construction.
- 11) Authorizes proceeds from the sale of bonds issued and sold for purposes of measure may be used to fund any of the following at the CCC:
- a) Student and employee housing projects on or near CCC campuses, with priority given for affordability and proximity to transit;
  - b) Construction on existing campuses, including the construction of buildings and the acquisition of related fixtures;
  - c) Construction of intersegmental facilities; and,
  - d) Renovation and reconstruction of facilities, site acquisition, the equipping of new, renovated, or reconstructed facilities, which equipment shall have an average useful life of 10 years, and to provide funds for the payment of preconstruction costs, including, but not limited to, preliminary plans and working drawings for facilities of the CCC.
- 12) Makes technical and clarifying changes to existing law.

**EXISTING LAW:**

- 1) Stipulates that the Legislature shall not, in any manner create any debt or debts, liability or liabilities, which shall, singly or in the aggregate with any previous debts or liabilities, exceed \$300,000 unless enactment has been passed by a two-thirds vote of all the members elected to each house of the Legislature and until, at a general election or at a direct primary, it shall have been submitted to the people and shall have received a majority of all the votes cast for and against it at such election (California Constitution, Article XVI, Section 1).
- 2) Requires the CCC Chancellor's Office to prepare a five-year capital outlay plan identifying the CCC's statewide needs and priorities (Education Code (EC) Section 67501).
- 3) Authorizes CSU to use up to 12% of its General Fund support budget, less the amount required to fund general obligation bond payments and State Public Works Board rental payments, to fund capital outlay projects, either on a pay-as-you-go approach or to pay principal and interest on university-issued revenue bonds (EC Section 89770, et seq.).
- 4) Under the State University Revenue Bond Act of 1947, authorizes the CSU Board of Trustees to construct operate and control certain facilities, including student housing and boarding facilities, and to establish charges for use of such facilities (EC Section 90010, et seq.).
- 5) Under the UC Dormitory Revenue Bond Act of 1947, authorizes the UC Board of Regents to construct operate and control certain facilities, including student housing and boarding facilities, and to establish charges for use of such facilities (EC Section 92400, et seq.).

- 6) Authorizes UC to use up to 15% of its General Fund support budget, less the amount required to fund general obligation bond payments and State Public Works Board rental payments, to fund capital outlay projects, either on a pay-as-you-go approach or to pay principal and interest on university-issued revenue bonds (EC Section 92495, et seq.).
- 7) Establishes the Kindergarten-University Public Education Facilities Bond Act of 2006, authorized \$10.4 billion in general obligation bonds, including \$3.1 billion for higher education facilities, of which UC received \$890 million and CSU received \$690 million (EC Section 101000, et seq.).
- 8) Establishes the Kindergarten Through Community College Public Education Facilities Bond Act of 2016, approved by the voters in November 2016 (Proposition 51), authorized \$9 billion state general obligation bonds for K-12 facilities (\$7 billion) and CCC facilities (\$2 billion) (EC Section 101110, et seq.).
- 9) Establishes the Kindergarten Through Grade 12 Schools and Local Community College Public Education Facilities Modernization, Repair, and Safety Bond Act of 2024, approved by the voters in November 2024 (Proposition 2), authorized \$10 billion state general obligation bonds for K-12 facilities (\$8.5 billion) and CCC facilities (\$1.5 billion) (EC Section 101400, et seq.).
- 10) Requires the Governor to annually submit to the Legislature, in conjunction with the Governor's Budget, a proposed five-year infrastructure plan, which among other things, shall include the instructional and support facilities needs of the CCC (Government Code Section 13102).

**FISCAL EFFECT:** Unknown

**COMMENTS:** *Need for the measure.* According to the author, “AB 48 is a critical investment in California’s future. By addressing the urgent infrastructure and housing crises plaguing public higher education, this bill safeguards students, promotes equity, and strengthens communities. Outdated facilities riddled with seismic risks, lead-contaminated water, and hazardous materials endanger the health and safety of students and educators. Meanwhile, skyrocketing housing costs disproportionately force low-income students—many from underrepresented backgrounds—to choose between basic needs and their education.”

The author contends that, “AB 48 confronts these challenges head-on. It unlocks funding to modernize classrooms, remove environmental hazards, and expand access to affordable student housing, ensuring campuses are safe, inclusive, and equipped to support learning. By mandating accountability measures like public hearings, audits, and transparent reporting, the bill ensures taxpayer dollars directly benefit those most in need.”

Lastly, the author states that, “this legislation is not just about bricks and mortar—it’s about equity. Safe, affordable housing and modernized facilities are foundational to closing opportunity gaps and empowering students of all backgrounds to succeed. AB 48 reaffirms California’s commitment to accessible, high-quality education as a pathway to economic mobility and a stronger, more equitable society. Its enactment is vital to building a higher education system that truly serves all Californians.”

*Background.* Since the late 1980s, the Legislature has placed on the ballot, and voters have approved bonds for public elementary, secondary, and postsecondary education every two to four years. Over time, this rate was reduced, bringing us to 2006, when obligation bond Proposition 1D (AB 127, Núñez and Perata, Chapter 35, Statutes of 2006), was approved by voters in November 2006, authorizing the sale of \$10.4 billion in general obligation bonds of which \$3.087 billion was earmarked for higher education facilities. Of this amount, \$1.5 billion was provided for CCC facilities, \$890 million was provided for the UC, and \$690 million was provided for the CSU. All Proposition 1D higher education facilities funds have since been depleted.

This was the last time that the UC and CSU received funds from a statewide bond initiative.

Ten years would pass before the passage of the next statewide general obligation bond, Proposition 51; approved by voters in November 2016. Proposition 51 authorized a total of \$9 billion in state general obligation bond funds with \$7 billion for K-12 education facilities and \$2 billion for CCC facilities.

Of the \$7 billion for K-12 education, \$3 billion was set aside for new construction, \$3 billion for modernization, and \$1 billion for charter schools and vocational education facilities.

Due to the Great Recession and the deterioration of the state's fiscal condition, legislation needed to authorize the education bonds was not enacted. Instead, since 2008, the higher education segments have received capital funding from lease-revenue bonds through the Annual Budget Acts; however, these funds have met less than half of the segments' capital needs. Bond funds, whether lease-revenue or general obligation, are allocated through the budget process in accordance with the segments' five-year capital facility plans.

Furthermore, in November 2012, California voters approved Proposition 39 to close a corporate tax loophole and increase the state's annual corporate tax revenues by as much as \$1.1 billion. Proposition 39 specified that half of the revenue generated from 2013-2018, up to \$550 million, should support energy efficiency and alternative energy projects at public schools, colleges, universities and other public buildings, as well as related public-private partnerships and workforce training.

Proposition 13 (AB 48, O'Donnell and Glazer, Chapter 530, Statutes of 2019), placed the \$15 billion Public Preschool, K-12, and College Health and Safety Bond Act of 2020 on the March 2020 statewide ballot. California voters did not adopt Proposition 13 during the Statewide Primary Election on March 3, 2020; the provisions did not take effect.

Lastly, Proposition 2 (AB 247, Muratsuchi and Mike Fong, et al., Chapter 81, Statutes of 2024, placed the Kindergarten Through Grade 12 Schools and Local Community College Public Education Facilities Modernization, Repair, and Safety Bond Act of 2024 in the amount of \$10 billion on the November 2024 statewide ballot.

The chart below depicts the outcomes of the most recent obligation bonds for public elementary, secondary (K-12), and postsecondary (higher education) education facilities:

<b>Ballot</b>	<b>Measure</b>	<b>Amount</b>	<b>% Support</b>
November 1998	Proposition 1A	\$ 9.2 billion (\$6.7 billion K-12 + \$2.5 billion Higher Education)	62.5 (Approved by Voters)
November 2002	Proposition 47	\$13.05 billion (\$11.4 billion K-12 + \$1.65 billion Higher Education)	59.1 (Approved by Voters)
March 2004	Proposition 55	\$12.3 billion (\$10 billion K-12 + \$2.3 billion Higher Education)	50.9 (Approved by Voters)
November 2006	Proposition 1D	\$10.416 billion (\$7.329 K-12 + \$3.087 billion Higher Education)	56.9 (Approved by Voters)
November 2016	Proposition 51	\$9 billion (\$7 billion K-12 + \$2 billion CCC)	55.2 (Approved by Voters)
March 2020	Proposition 13	\$15 billion (\$9 billion K-12 + \$6 billion Higher Education)	47.0 (Rejected by Voters)
November 2024	Proposition 2	\$10 billion (\$8.5 billion K-12 + \$1.5 billion CCC)	58.7 (Approved by Voters)

*Summary of Capital Needs. The CCC.* The 2025-26 Five-Year Capital Outlay Plan (Five-Year Plan) for the CCC covers the period from 2025-26 through 2029-30, and totals \$28.3 billion. This amount includes \$5.7 billion for construction of new facilities for enrollment growth and \$22.6 billion for modernization of existing facilities.

In addition to capital facility needs, the CCC has deferred needs to future years totaling \$5.2 billion. This amount includes \$628 million of out-year costs for continuing phases of projects started within the Five-Year Plan period and \$4.5 billion carried over into subsequent plan years, primarily for modernization projects.

Currently, the total unmet facilities needs for the CCC are approximately \$33.5 billion for the five-year period of this plan.

*The CSU.* The primary objective of the Five-Year Plan for the CSU is to provide facilities appropriate to the CSU's approved educational programs to create environments conducive to

learning, and to ensure that the quality and quantity of facilities at the 23 campuses serve the students equally well. The campuses and the CSU Office of the Chancellor have enlisted broad participation by administrators, faculty, and students in the development of the Five-Year Plan.

The CSU has an aging infrastructure in dire need of renovation and replacement, with more than half of the CSU facility spaces being 40 years or older and a third being over 50 years old. The CSU’s Five-Year Capital Outlay Plan reflects more than \$23.9 billion in academic and self-support infrastructure projects and \$7 billion in critical facilities renewal needs.

Between 2017-18 to 2022-23, the CSU backlog for academic facilities and infrastructure grew by \$2.4 billion or 60%.

*The UC.* The 2023-29 Capital Financial Plan (CFP) has been developed based on the needs at each UC location for buildings and other physical infrastructure to achieve the following overarching plans:

- 1) Strategic and Academic Plans that define priority areas and goals and other institutional aspirations.
- 2) Physical Design Frameworks that identify planning principles and objectives for the design of the physical environment.
- 3) Long Range Development Plans, as approved by the UC Regents, that guide future physical planning and describe the proposed future development of the campuses and medical centers.

The CFP presents proposed capital projects, public private partnerships, and the acquisition of real property that support these plans. As summarized in Display 1 (below), the CFP identifies \$30 billion in funding to meet UC’s most urgent capital needs over this year and the next five fiscal years (through 2028-29). The campuses and medical centers have identified over \$46 billion of capital need that does not have a funding plan.

**Display 1. Summary of Current Capital Needs with Funding Identified and a Comparison to Previous CFPs (\$M)**

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	This Year 2023-29 Total	2022-28 CFP Total	2021-27 CFP Total
Capital Need with Funding	11,145	6,722	5,043	4,626	1,679	854	30,069	23,244	29,050

*note: because of rounding, some totals may not correspond with the sum of the separate parts*

*Committee comments.* As currently drafted, this measure increases the local bonding capacity. Committee Staff understands from various stakeholder groups who expressed concerns that this same provision was included in Proposition 13 which the failed March 2020 K-University School bond. The stakeholders believe that this was one of the primary components that led to the bond’s defeat.

State school bonds are not tax increases, as the state uses existing General Fund revenue to pay debt service on the bonds, with no impact on tax rates. However, *local* bonds do have a direct

impact on a voter's taxes. Increasing these tax limits could jeopardize the success of the school bond. Additionally it is unclear why local bonding capacity for CCC was included in this measure, as amended on April 10, 2025. If there are CCC districts that are up against their local bonding capacity limit, it may be more prudent to solve their situation in a separate legislative measure, not a state bond measure.

*Moving forward, the author may wish to delete all references to local bonding capacities and not include it in this state bond.*

Further, this state bond adds student and employee housing as an allowable bond expenditure. Committee Staff understands from various stakeholders that while they support student housing grant programs, it may not be judicious to include affordable student and employee housing to a state bond unless adequate polling demonstrates that it will be a net benefit to the proposal.

*Moving forward, the author may wish to work with appropriate stakeholders in order to determine if student and employee housing should remain in the bond proposal.*

*Arguments in support.* According to the Student Senate for California Community Colleges (SSCCC), "AB 48 aims to improve facilities at community colleges and universities by providing bond funding for safety upgrades, disaster recovery, and modernization of vocational facilities at community colleges, while universities will receive investments in health sciences and campus safety. The measure includes accountability through independent audits and public hearings for projects, setting a 5% limit on administrative costs to ensure more funding goes toward infrastructure."

Further, SSCCC contends that, "additionally, it enhances housing affordability by waiving school facility fees for multifamily homes near transit and reducing fees by 20% elsewhere. Institutions will also be required to submit 5-year capital plans to prioritize their needs. AB 48 will appear on the 2026 statewide primary election ballot, and if approved, funds will be managed by established oversight bodies with strict transparency requirements."

*Arguments in opposition.* According to the Howard Jarvis Taxpayers Association (HJTA), "AB 48 would sharply raise the limit on debt issuance by community college districts to 4% of the taxable property of the district. This is unnecessary. The bonding capacity of community college districts rises with the increase in the taxable value of property. In 2024, the rising value of county-assessed property was sufficient to produce a 7.1% increase in property taxes statewide, according to the Board of Equalization. BOE Chair Sally J. Lieber stated in an April 2024 press release, 'Property values statewide have steadily increased year over year since 2011.'"

Additionally, HJTA contends that, "roll values increased significantly across the state in 2024 compared to 2023 values: up 4.85% in Los Angeles County, up 5.41% in Orange County, up 4.17% in Contra Costa County, up 5.39% in Santa Clara County, up 2.12% in San Francisco County, up 5.58% in San Diego County, up 5.75% in San Mateo County, and up 7.11% in Riverside County. Lifting the debt cap in current law would further raise the cost of living for property owners as well as for tenants and consumers, who bear the cost of property tax increases in the form of higher rents and retail prices."



*Prior legislation.* Several bond measures have been proposed since 2006 to fund higher education facilities. The most recent besides those referenced in the *Background* section of this analysis, include:

SB 28 (Glazer) of the 2023-24 Legislative Session, which was held on the Suspense File in the Assembly Committee on Appropriations, in part, would have authorized a \$15 billion bond measure for the construction and modernization of public preschool, K-12, CCC, UC, and CSU facilities to be placed on the ballot for the March 2024 statewide primary election

AB 75 (O'Donnell) of 2021, which was held in the Senate Committee on Education, placed the Kindergarten-Community Colleges Public Education Facilities Bond Act of 2022 on the 2022 statewide ballot, to be operative only if approved by voters at the election

AB 48 (O'Donnell and Glazer), Chapter 530, Statutes of 2019, which was substantially similar to SB 22 (as referenced below), placed the \$15 billion Public Preschool, K-12, and College Health and Safety Bond Act of 2020 on the March 2020 statewide ballot.

California voters did not adopt the measure during the Statewide Primary Election on March 3, 2020; the provisions did not take effect.

SB 22 (Glazer), of 2021, which, was held by the Assembly Committee on Education, would place the Public Preschool, K-12, and College Health and Safety Bond Act of 2022 on an unspecified statewide election in 2022. The Bond Act would be for \$15 billion.

AB 13 (Eggman) of 2019, which was held by this Committee, placed the Higher Education Facilities Bond Act of 2020 on the November 3, 2020, Statewide General Election. The measure proposed \$2 billion for UC facilities, \$2 billion for CSU facilities and \$3 billion for new CSU campuses.

SB 14 (Glazer) of 2019, which died in the Assembly Rules Committee, placed the Higher Education Facilities Bond Act of 2020 on the March 3, 2020 Statewide Primary Election. The measure proposed \$4 billion each for UC and CSU facilities.

AB 2771 (Eggman, et al.) of 2018, which died on the Senate Floor, in part, enacted a \$7 billion general obligation bond for higher education facilities, to be considered by the voters at the November 2018 ballot.

SB 1225 (Glazer and Allen) of 2018, which died on the Assembly Floor, proposed a \$4 billion general obligation bond measure for UC, CSU, and UC Law San Francisco (previously named UC Hastings) to be placed on the November 2018 statewide ballot.

SB 483 (Glazer and Allen) of 2017, which was held on the Suspense File in the Senate Committee on Appropriations, proposed a \$2 billion bond for the November 2018 ballot facilities at UC, CSU, and UC Law San Francisco (previously named UC Hastings).

AB 148 (Holden) of 2015, which was held on the Suspense File in the Assembly Appropriations Committee, would have placed the K–14 School Investment Bond Act of 2016 with unspecified dollar amounts on the November 8, 2016 statewide ballot.

AB 1088 (O'Donnell) of 2015, which was held on the Suspense File in the Assembly Committee on Appropriations, authorized an unspecified amount of bonds for school districts, county superintendents of schools, county boards of education, charter schools, the CCC, CSU, Hastings, and UC.

AB 1433 (Gray) of 2015, which was held on the Suspense File in the Assembly Committee on Appropriations, would have placed the Recommitment to Higher Education Bond Act of 2016 with unspecified amounts for higher education facilities on the November 8, 2016 Statewide General Election.

**REGISTERED SUPPORT / OPPOSITION:**

**Support**

California State University, Office of the Chancellor  
Community College Facility Coalition  
Student Senate for California Community Colleges  
University of California

**Opposition**

Howard Jarvis Taxpayers Association

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