

ASSEMBLY BILL

No. 48

Introduced by Assembly Member Alvarez

December 2, 2024

An act to add Part 71 (commencing with Section 101200) to Division 14 of Title 3 of the Education Code, and to add Chapter 4.95 (commencing with Section 65998.5) to, and to add and repeal Chapter 4.97 (commencing with Section 65999) of, Division 1 of Title 7 of the Government Code, relating to education finance, by providing the funds necessary therefor through an election for the issuance and sale of bonds of the State of California and for the handling and disposition of these funds.

LEGISLATIVE COUNSEL'S DIGEST

AB 48, as introduced, Alvarez. Education finance: postsecondary education facilities: College Health and Safety Bond Act of 2026.

(1) The California Constitution prohibits the Legislature from creating a debt or liability that singly or in the aggregate with any previous debts or liabilities exceeds the sum of \$300,000, except by an act that (A) authorizes the debt for a single object or work specified in the act, (B) has been passed by a 2/3 vote of all the Members elected to each house of the Legislature, (C) has been submitted to the people at a statewide general or primary election, and (D) has received a majority of all the votes cast for and against it at that election.

This bill would set forth the College Health and Safety Bond Act of 2026 as a state general obligation bond act that would provide \$_____ to construct and modernize education facilities, as specified. This bond act would become operative only if approved by the voters at the _____,

statewide primary election. The bill would also provide for the submission of the bond act to the voters at that election.

(2) Existing law authorizes the governing board of a school district to impose, as specified, an alternative fee, charge, dedication, or requirement on developers to fund school facilities, until the date new construction bond proceeds authorized by the Preschool-College Public Education Bond Act of 2016 are expended, or December 31, 2020, whichever is earlier.

This bill would remove this authority beginning the earlier of an unspecified date or the date new construction bond proceeds authorized by the 2016 bond act are expended or apportioned, until an unspecified date. The bill would also exempt multifamily housing developments that are located no further than $\frac{1}{2}$ mile from a major transit stop, and reduce by 20% from specified amounts for any other multifamily housing developments, as specified, from any fee, charge, dedication, or other requirement for the construction or reconstruction of school facilities, as provided.

(3) This bill, except for the provision making the provisions of the bill severable, would become effective upon the adoption of the College Health and Safety Bond Act of 2026 by the voters at the _____, statewide primary election.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Part 71 (commencing with Section 101200) is
2 added to Division 14 of Title 3 of the Education Code, to read:

3

4 PART 71. THE COLLEGE HEALTH AND SAFETY BOND
5 ACT OF 2026

6

7 CHAPTER 1. GENERAL PROVISIONS

8

9 101200. This part shall be known, and may be cited, as the
10 College Health and Safety Bond Act of 2026.

11 101201. The incorporation of, or reference to, any provision
12 of state statutory law in this part includes all acts amendatory
13 thereof and supplementary thereto.

101202. Bonds in the total amount of _____ dollars (\$____), not including the amount of any refunding bonds issued in accordance with Sections 101221 and 101242, may be issued and sold for the purposes set forth in Sections 101212, 101231, and 101232. The bonds, when sold, issued, and delivered, shall be and constitute a valid and binding obligation of the State of California, and the full faith and credit of the State of California is hereby pledged for the punctual payment of the principal of, and interest on, the bonds as the principal and interest become due and payable.

101203. It is the intent of the Legislature to address the crisis of school facilities for all California students attending public community colleges and universities 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) Require independent audits and public hearings to provide accountability for taxpayer dollars.

(h) Cap administrative costs at 5 percent.

101204. Not more than 5 percent of the funds allocated pursuant to this part may be used to support the costs to administer the programs authorized by this act.

CHAPTER 2. CALIFORNIA COMMUNITY COLLEGE FACILITIES

Article 1. General Provisions

101210. (a) The 2026 California Community College Capital Outlay Bond Fund is hereby established in the State Treasury for deposit of funds from the proceeds of bonds, not including the proceeds of any refunding bonds issued in accordance with Section 101221, issued and sold for the purposes of this chapter.

(b) The Higher Education Facilities Finance Committee established pursuant to Section 67353 is hereby continued in existence to act as the committee, as defined in the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), for purposes of this chapter and to provide funds to aid the California Community Colleges.

Article 2. California Community College Program Provisions

101211. (a) From the proceeds of bonds issued and sold pursuant to Article 3 (commencing with Section 101212), the sum of ____ (\$____) shall be deposited in the 2026 California Community College Capital Outlay Bond Fund for purposes of this chapter. When appropriated, these funds shall be available for expenditure for purposes of this chapter.

(b) The purposes of this chapter include assisting in meeting the capital outlay financing needs of the California Community Colleges.

(c) Proceeds from the sale of bonds issued and sold for purposes of this chapter may be used to fund construction on existing campuses, including the construction of buildings and the acquisition of related fixtures, construction of intersegmental facilities, the 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 California Community Colleges.

(d) For purposes of this section, “intersegmental” means may be used by more than one segment of public higher education.

Article 3. California Community College Fiscal Provisions

101212. (a) Of the total amount of bonds authorized to be issued and sold pursuant to Chapter 1 (commencing with Section 101200), bonds in the total amount of ____ dollars (\$____), not including the amount of any refunding bonds issued in accordance with Section 101221, may be issued and sold to provide a fund to be used for carrying out the purposes expressed in this chapter and

1 to reimburse the General Obligation Bond Expense Revolving
2 Fund pursuant to Section 16724.5 of the Government Code.

3 (b) Pursuant to this section, the Treasurer shall sell the bonds
4 authorized by the Higher Education Facilities Finance Committee
5 established pursuant to Section 67353 at any different times
6 necessary to service expenditures required by the apportionments.

7 101213. (a) The bonds authorized by this chapter shall be
8 prepared, executed, issued, sold, paid, and redeemed as provided
9 in the State General Obligation Bond Law (Chapter 4 (commencing
10 with Section 16720) of Part 3 of Division 4 of Title 2 of the
11 Government Code). The provisions of that law, including all acts
12 amendatory thereof and supplementary thereto, apply to those
13 authorized bonds and this chapter, and are hereby incorporated
14 into this chapter as though set forth in full within this chapter,
15 except that subdivisions (a) and (b) of Section 16727 of the
16 Government Code shall not apply to the bonds authorized by this
17 chapter.

18 (b) For purposes of the State General Obligation Bond Law,
19 each state agency administering an appropriation of the 2026
20 Community College Capital Outlay Bond Fund is designated as
21 the “board” for projects funded pursuant to this chapter.

22 (c) The proceeds of the bonds issued and sold pursuant to this
23 chapter shall be available for the purpose of funding aid to the
24 California Community Colleges for the construction on existing
25 or new campuses, and their respective off-campus centers and joint
26 use and intersegmental facilities, as set forth in this chapter.

27 101214. The Higher Education Facilities Finance Committee
28 established pursuant to Section 67353 shall authorize the issuance
29 of bonds under this chapter only to the extent necessary to fund
30 the related apportionments for the purposes described in this
31 chapter that are expressly authorized by the Legislature in the
32 annual Budget Act. Pursuant to that legislative direction, the
33 committee shall determine by resolution whether or not it is
34 necessary or desirable to issue bonds authorized pursuant to this
35 chapter in order to carry out the purposes described in this chapter
36 and, if so, the amount of bonds to be issued and sold. Successive
37 issues of bonds may be authorized and sold to carry out those
38 actions progressively, and it is not necessary that all of the bonds
39 authorized to be issued be sold at any one time.

101215. There shall be collected each year and in the same manner and at the same time as other state revenue is collected, in addition to the ordinary revenues of the state, a sum in an amount required to pay the principal of, and interest on, the bonds each year. It is the duty of all officers charged by law with any duty in regard to the collection of the revenue to do and perform each and every act that is necessary to collect that additional sum.

101216. Notwithstanding Section 13340 of the Government Code, there is hereby appropriated from the General Fund in the State Treasury, for the purposes of this chapter, an amount that equals the total of the following:

(a) The sum annually necessary to pay the principal of, and interest on, bonds issued and sold pursuant to this chapter, as the principal and interest become due and payable.

(b) The sum necessary to carry out Section 101219, appropriated without regard to fiscal years.

101217. The board, as defined in subdivision (b) of Section 101213, may request the Pooled Money Investment Board to make a loan from the Pooled Money Investment Account or any other approved form of interim financing, in accordance with Section 16312 of the Government Code, for the purpose of carrying out this chapter. The amount of the request shall not exceed the amount of the unsold bonds that the Higher Education Facilities Finance Committee, by resolution, has authorized to be sold for the purpose of carrying out this chapter excluding any refunding bonds authorized pursuant to Section 101221, less any amount loaned and not yet repaid pursuant to this section and withdrawn from the General Fund pursuant to Section 101219 and not yet returned. The board, as defined in subdivision (b) of Section 101213, shall execute any documents required by the Pooled Money Investment Board to obtain and repay the loan. Any amounts loaned shall be deposited in the 2026 California Community College Capital Outlay Bond Fund to be allocated by the board in accordance with this chapter.

101218. Notwithstanding any other provision of this chapter, or of the State General Obligation Bond Law, if the Treasurer sells bonds pursuant to this chapter that include a bond counsel opinion to the effect that the interest on the bonds is excluded from gross income for federal tax purposes under designated conditions or is otherwise entitled to any federal tax advantage, the Treasurer may

1 maintain separate accounts for the investment of bond proceeds
2 and for the investment earnings on those proceeds. The Treasurer
3 may use or direct the use of those proceeds or earnings to pay any
4 rebate, penalty, or other payment required under federal law or
5 take any other action with respect to the investment and use of
6 those bond proceeds required or desirable under federal law to
7 maintain the tax-exempt status of those bonds and to obtain any
8 other advantage under federal law on behalf of the funds of this
9 state.

10 101219. (a) For purposes of carrying out this chapter, the
11 Director of Finance may authorize the withdrawal from the General
12 Fund of an amount not to exceed the amount of the unsold bonds,
13 excluding any refunding bonds authorized pursuant to Section
14 101221, less any amount loaned and not yet repaid pursuant to this
15 section and withdrawn from the General Fund pursuant to Section
16 101217 and not yet returned, that have been authorized by the
17 Higher Education Facilities Finance Committee to be sold for the
18 purpose of carrying out this chapter. Any amounts withdrawn shall
19 be deposited in the 2026 California Community College Capital
20 Outlay Bond Fund consistent with this chapter. Any money made
21 available under this section shall be returned to the General Fund,
22 plus an amount equal to the interest that the money would have
23 earned in the Pooled Money Investment Account, from proceeds
24 received from the sale of bonds for purposes of carrying out this
25 chapter.

26 (b) Any request forwarded to the Legislature and the Department
27 of Finance for funds from this bond issue for expenditure for the
28 purposes described in this chapter by the California Community
29 Colleges shall be accompanied by the five-year capital outlay plan
30 that reflects the needs and priorities of the community college
31 system and is prioritized on a statewide basis. Requests shall
32 include a schedule that prioritizes the seismic retrofitting needed
33 to significantly reduce, in the judgment of the particular college,
34 seismic hazards in buildings identified as high priority by the
35 college.

36 101220. All moneys deposited in the 2026 California
37 Community College Capital Outlay Bond Fund that are derived
38 from premium and accrued interest on bonds sold pursuant to this
39 chapter shall be reserved in the fund and shall be available for
40 transfer to the General Fund as a credit to expenditures for bond

1 interest, except those amounts derived from premium may be
2 reserved and used to pay the cost of the bond issuance before any
3 transfer to the General Fund.

4 101221. The bonds issued and sold pursuant to this chapter
5 may be refunded in accordance with Article 6 (commencing with
6 Section 16780) of Chapter 4 of Part 3 of Division 4 of Title 2 of
7 the Government Code, which is a part of the State General
8 Obligation Bond Law. Approval by the voters of the state for the
9 issuance of the bonds described in this chapter includes the
10 approval of the issuance of any bonds issued to refund any bonds
11 originally issued under this chapter or any previously issued
12 refunding bonds. Any bond refunded with the proceeds of
13 refunding bonds as authorized by this section may be legally
14 defeased to the extent permitted by law in the manner and to the
15 extent set forth in the resolution, as amended from time to time,
16 authorizing that refunded bond.

17 101222. The proceeds from the sale of bonds authorized by
18 this chapter are not “proceeds of taxes” as that term is used in
19 Article XIII B of the California Constitution, and the disbursement
20 of these proceeds is not subject to the limitations imposed by that
21 article.

22 CHAPTER 3. UNIVERSITY FACILITIES

23 Article 1. General Provisions

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25
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27 101230. (a) (1) The system of public universities in this state
28 includes the University of California, the college named in Section
29 92200, and the California State University, and their respective
30 off-campus centers.

31 (2) The Charles R. Drew University of Medicine and Science
32 shall be considered an off-campus center within the University of
33 California.

34 (b) The 2026 University Capital Outlay Bond Fund is hereby
35 established in the State Treasury for deposit of funds from the
36 proceeds of bonds, not including the proceeds of any refunding
37 bonds issued in accordance with Section 101242, issued and sold
38 for the purposes of this chapter.

39 (c) (1) The Higher Education Facilities Finance Committee
40 established pursuant to Section 67353 is hereby continued in

1 existence to act as the committee, as defined in the State General
2 Obligation Bond Law (Chapter 4 (commencing with Section
3 16720) of Part 3 of Division 4 of Title 2 of the Government Code),
4 for purposes of this chapter to provide funds to aid the University
5 of California, including the Charles R. Drew University of
6 Medicine and Science, the college named in Section 92200, and
7 the California State University.

8 (2) The addition of the college named in Section 92200 to this
9 section clarifies the Legislature's intent regarding, and is not
10 intended to mark a change from, the funding authorizations made
11 by Section 67354, as set forth in the Higher Education Facilities
12 Bond Act of 1986, or by Section 67334, as set forth in the Higher
13 Education Facilities Bond Act of 1988.

14
15 Article 2. Program Provisions Applicable to the University of
16 California and the College Named in Section 92200
17

18 101231. (a) From the proceeds of bonds issued and sold
19 pursuant to Article 4 (commencing with Section 101233), the sum
20 of ____ dollars (\$____) shall be deposited in the 2026 University
21 Capital Outlay Bond Fund for purposes of this chapter. Of those
22 moneys, the sum of fifty million dollars (\$50,000,000) shall be
23 reserved for allocation to the Charles R. Drew University of
24 Medicine and Science. When appropriated, these funds shall be
25 available for expenditure for purposes of this chapter.

26 (b) The purposes of this chapter include assisting in meeting
27 the capital outlay financing needs of the University of California,
28 including the Charles R. Drew University of Medicine and Science,
29 and the college named in Section 92200.

30 (c) The proceeds of the bonds issued and sold pursuant to this
31 chapter shall be available for any of the following:

32 (1) (A) The construction, reconstruction, and remodeling of
33 existing or new facilities, including the construction of buildings
34 and the acquisition of related fixtures.

35 (B) Any bond proceeds expended for the Charles R. Drew
36 University of Medicine and Science shall be for the construction,
37 reconstruction, and remodeling of their medical education program
38 facilities.

39 (2) The equipping of new, renovated, or reconstructed facilities.

1 (3) The payment of preconstruction costs, including, but not
2 necessarily limited to, preliminary plans and working drawings.

3 (4) The renovation and reconstruction of facilities.

4 (5) The construction or improvement of off-campus and
5 on-campus facilities of the University of California approved by
6 the Regents of the University of California, including the
7 acquisition of sites upon which these facilities are to be constructed.

8
9 Article 3. Program Provisions Applicable to the California State
10 University
11

12 101232. (a) From the proceeds of bonds issued and sold
13 pursuant to Article 4 (commencing with Section 101233), the sum
14 of ____ dollars (\$____) shall be deposited in the 2026 University
15 Capital Outlay Bond Fund for the purposes of this chapter. When
16 appropriated, these funds shall be available for expenditure for the
17 purposes of this chapter.

18 (b) The purposes of this chapter include assisting in meeting
19 the capital outlay financing needs of the California State University.

20 (c) The proceeds of the bonds issued and sold pursuant to this
21 chapter shall be available for any of the following:

22 (1) The construction, reconstruction, and remodeling of existing
23 or new facilities, including the construction of buildings and the
24 acquisition of related fixtures.

25 (2) The equipping of new, renovated, or reconstructed facilities.

26 (3) The payment of preconstruction costs, including, but not
27 necessarily limited to, preliminary plans and working drawings.

28 (4) The renovation and reconstruction of facilities.

29 (5) The construction or improvement of off-campus and
30 on-campus facilities of the California State University approved
31 by the Board of Trustees of the California State University,
32 including the acquisition of sites upon which these facilities are
33 to be constructed.

34
35 Article 4. University Fiscal Provisions
36

37 101233. (a) Of the total amount of bonds authorized to be
38 issued and sold pursuant to Chapter 1 (commencing with Section
39 101200), bonds in the amount of ____ dollars (\$____), not
40 including the amount of any refunding bonds issued in accordance

1 with Section 101242, may be issued and sold to provide a fund to
2 be used for carrying out the purposes expressed in this chapter and
3 to reimburse the General Obligation Bond Expense Revolving
4 Fund pursuant to Section 16724.5 of the Government Code.

5 (b) Pursuant to this section, the Treasurer shall sell the bonds
6 authorized by the Higher Education Facilities Finances Committee,
7 established pursuant to Section 67353, at any different times
8 necessary to service expenditures required by the apportionments.

9 (c) (1) It is the intent of the Legislature that the University of
10 California and the California State University annually consider
11 the inclusion of intersegmental facilities as part of those entities'
12 annual capital outlay planning process and that on or before May
13 15th of each year, those entities report their findings to the budget
14 committees of each house of the Legislature.

15 (2) For purposes of this subdivision, "intersegmental" means
16 may be used by more than one segment of public higher education.

17 101234. (a) The bonds authorized by this chapter shall be
18 prepared, executed, issued, sold, paid, and redeemed as provided
19 in the State General Obligation Bond Law (Chapter 4 (commencing
20 with Section 16720) of Part 3 of Division 4 of Title 2 of the
21 Government Code). The provisions of that law, including all acts
22 amendatory thereof and supplementary thereto, apply to those
23 authorized bonds and this chapter, and are hereby incorporated
24 into this chapter as though set forth in full within this chapter,
25 except that subdivisions (a) and (b) of Section 16727 of the
26 Government Code shall not apply to the bonds authorized by this
27 chapter.

28 (b) For the purposes of the State General Obligation Bond Law,
29 each state agency administering an appropriation of the 2026
30 University Capital Outlay Bond Fund is designated as the "board"
31 for projects funded pursuant to this chapter.

32 (c) The proceeds of the bonds issued and sold pursuant to this
33 chapter shall be available for the purpose of funding aid to the
34 University of California, including the Charles R. Drew University
35 of Medicine and Science, the college named in Section 92200, and
36 the California State University, for the construction on existing or
37 new campuses, and their respective off-campus centers and joint
38 use and intersegmental facilities, as set forth in this chapter.

39 101235. The Higher Education Facilities Finance Committee
40 established pursuant to Section 67353 shall authorize the issuance

1 of bonds under this chapter only to the extent necessary to fund
2 the apportionments for the purposes described in this chapter that
3 are expressly authorized by the Legislature in the annual Budget
4 Act. Pursuant to that legislative direction, the committee shall
5 determine whether or not it is necessary or desirable to issue bonds
6 authorized pursuant to this chapter in order to carry out the
7 purposes described in this chapter and, if so, the amount of bonds
8 to be issued and sold. Successive issues of bonds may be authorized
9 and sold to carry out those actions progressively, and it is not
10 necessary that all of the bonds authorized to be issued be sold at
11 any one time.

12 101236. There shall be collected each year and in the same
13 manner and at the same time as other state revenue is collected,
14 in addition to the ordinary revenues of the state, a sum in an amount
15 required to pay the principal of, and interest on, the bonds each
16 year. It is the duty of all officers charged by law with any duty in
17 regard to the collection of the revenue to do and perform each and
18 every act which is necessary to collect that additional sum.

19 101237. Notwithstanding Section 13340 of the Government
20 Code, there is hereby appropriated from the General Fund in the
21 State Treasury, for the purposes of this chapter, an amount that
22 equals the total of the following:

23 (a) The sum annually necessary to pay the principal of, and
24 interest on, bonds issued and sold pursuant to this chapter, as the
25 principal and interest become due and payable.

26 (b) The sum necessary to carry out Section 101240, appropriated
27 without regard to fiscal years.

28 101238. The board, as defined in subdivision (b) of Section
29 101234, may request the Pooled Money Investment Board to make
30 a loan from the Pooled Money Investment Account or any other
31 approved form of interim financing, in accordance with Section
32 16312 of the Government Code, for the purpose of carrying out
33 this chapter. The amount of the request shall not exceed the amount
34 of the unsold bonds that the Higher Education Facilities Finance
35 Committee, by resolution, has authorized to be sold for the purpose
36 of carrying out this chapter, excluding any refunding bonds
37 authorized pursuant to Section 101242. The board, as defined in
38 subdivision (b) of Section 101234, shall execute any documents
39 required by the Pooled Money Investment Board to obtain and
40 repay the loan. Any amounts loaned shall be deposited in the 2026

1 University Capital Outlay Bond Fund to be allocated by the board
2 in accordance with this chapter.

3 101239. Notwithstanding any other provision of this chapter,
4 or of the State General Obligation Bond Law, if the Treasurer sells
5 bonds pursuant to this chapter that include a bond counsel opinion
6 to the effect that the interest on the bonds is excluded from gross
7 income for federal tax purposes under designated conditions, or
8 is otherwise entitled to any federal tax advantage, the Treasurer
9 may maintain separate accounts for the investment of bond
10 proceeds and for the investment earnings on those proceeds. The
11 Treasurer may use or direct the use of those proceeds or earnings
12 on those proceeds to pay any rebate, penalty, or other payment
13 required under federal law or take any other action with respect
14 to the investment and use of those bond proceeds required or
15 desirable under federal law to maintain the tax-exempt status of
16 those bonds and to obtain any other advantage under federal law
17 on behalf of the funds of this state.

18 101240. (a) For purposes of carrying out this chapter, the
19 Director of Finance may authorize the withdrawal from the General
20 Fund of an amount not to exceed the amount of the unsold bonds,
21 excluding any refunding of bonds authorized pursuant to Section
22 101242, that have been authorized by the Higher Education
23 Facilities Finance Committee to be sold for the purpose of carrying
24 out this chapter. Any amounts withdrawn shall be deposited in the
25 2026 University Capital Outlay Bond Fund consistent with this
26 chapter. Any money made available under this section shall be
27 returned to the General Fund, plus an amount equal to the interest
28 that the money would have earned in the Pooled Money Investment
29 Account, from proceeds received from the sale of bonds for
30 purposes of carrying out this chapter.

31 (b) Any request forwarded to the Legislature and the Department
32 of Finance for funds from this bond issued for expenditure for the
33 purposes described in this chapter by the University of California,
34 the college named in Section 92200, or the California State
35 University shall be accompanied by the five-year capital outlay
36 plan of the particular university or college.

37 (c) Any request forwarded to the Legislature and the Department
38 of Finance for funds from this bond issued for expenditure for the
39 purposes described in this chapter by the Charles R. Drew

1 University of Medicine and Science shall include documents related
2 to the establishment of its medical education program.

3 101241. All moneys deposited in the 2026 University Capital
4 Outlay Bond Fund that are derived from premium and accrued
5 interest on bonds sold pursuant to this chapter shall be reserved in
6 the fund and shall be available for transfer to the General Fund as
7 a credit to expenditures for bond interest, except those amounts
8 derived from premium may be reserved and used to pay the costs
9 of the bond issuance before any transfer to the General Fund.

10 101242. The bonds issued and sold pursuant to this chapter
11 may be refunded in accordance with Article 6 (commencing with
12 Section 16780) of Chapter 4 of Part 3 of Division 4 of Title 2 of
13 the Government Code, which is a part of the State General
14 Obligation Bond Law. Approval by the voters of the state for the
15 issuance of the bonds described in this chapter includes the
16 approval of the issuance of any bonds issued to refund any bonds
17 originally issued under this chapter or any previously issued
18 refunding bonds. Any bond refunded with the proceeds of
19 refunding bonds as authorized by this section may be legally
20 defeased to the extent permitted by law in the manner and to the
21 extent set forth in the resolution, as amended from time to time,
22 authorizing that refunded bond.

23 101243. The proceeds from the sale of bonds authorized by
24 this chapter are not “proceeds of taxes” as that term is used in
25 Article XIII B of the California Constitution, and the disbursement
26 of these proceeds is not subject to the limitations imposed by that
27 article.

28
29 CHAPTER 4. TRANSPARENCY AND ACCOUNTABILITY PROVISIONS
30

31 101250. (a) (1) A governing board of a community college
32 district, the Board of Trustees of the California State University,
33 the Regents of the University of California, the Board of Trustees
34 of the Charles R. Drew University of Medicine and Science, or
35 the Board of Directors of the college named in Section 92200 shall
36 ensure that an independent performance audit of any project funded
37 in whole or in part from the proceeds of a bond authorized by this
38 part is conducted to ensure that the use of the applicable funds has
39 been reviewed for expenditure consistent with the requirements
40 of all applicable laws.

1 (2) A performance audit conducted for any project funded in
2 whole or in part from the proceeds of bonds authorized by this part
3 and required by any other law shall be deemed to satisfy the
4 requirements of paragraph (1).

5 (3) The result of any audit required by this subdivision shall be
6 posted on the internet website of the applicable community college
7 district, the California State University, the University of
8 California, the Charles R. Drew University of Medicine and
9 Science, or the college named in Section 92200.

10 (b) (1) Before approving a request for the consideration of a
11 project, or projects, by the Legislature that would be funded by
12 the proceeds of a bond authorized by this part, the governing board
13 of a community college district shall hold at least one public
14 hearing to solicit input from members of the public regarding a
15 project, or projects, being requested for consideration.

16 (2) The public hearing required pursuant to paragraph (1) may:

17 (A) Occur at the same public hearing in which the governing
18 board approves the project, or projects, seeking funds from this
19 part.

20 (B) Be conducted as part of a regularly scheduled and publicly
21 noticed hearing of the governing board.

22 (3) (A) A community college district shall post information
23 regarding a project, or projects, seeking, or requesting, funds from
24 this part that have been approved by the governing board of the
25 community college district on its public internet website.

26 (B) The project information reflected on the internet website
27 pursuant to subparagraph (A) shall include, but not be limited to,
28 the location of the project, or projects, estimated project costs, and
29 the estimated timeline for the completion of the project, or projects.

30 (4) (A) A community college district shall retain all financial
31 accounts, documents, and records necessary for the audit required
32 pursuant to subdivision (a).

33 (B) For purposes of this paragraph, a community college district
34 may maintain records electronically, in compliance with any
35 applicable state and federal laws.

36 (c) (1) Before approving a request for the consideration of a
37 project, or projects, by the Legislature that would be funded by
38 the proceeds of a bond authorized by this part, the Board of
39 Trustees of the California State University, the Regents of the
40 University of California, and the Board of Directors of the college

1 named in Section 92200 shall hold at least one public hearing to
2 solicit input from members of the public regarding a project, or
3 projects, being requested for consideration.

4 (2) The public hearing required pursuant to paragraph (1) may:

5 (A) Occur at the same public hearing in which the governing
6 entity approves the submission of the applicable project, or
7 projects.

8 (B) Be conducted as part of a regularly scheduled and publicly
9 noticed hearing of the governing entity.

10 (3) (A) The California State University, the University of
11 California, and the college named in Section 92200 shall post
12 information regarding a project, or projects, that have been
13 approved for submission by the applicable governing body on their
14 respective public internet websites.

15 (B) The project information reflected on the internet website
16 pursuant to subparagraph (A) shall include, but not be limited to,
17 the location of the project, or projects, estimated project costs, and
18 the estimated timeline for the completion of the project, or projects.

19 (4) (A) The California State University, the University of
20 California, and the college named in Section 92200, or its
21 applicable campuses, shall retain all financial accounts, documents,
22 and records necessary for the audit required pursuant to subdivision
23 (a).

24 (B) For purposes of this paragraph, the California State
25 University, the University of California, and the college named in
26 Section 92200, or its applicable campuses, may maintain records
27 electronically, in compliance with any applicable state and federal
28 laws.

29 SEC. 2. Chapter 4.95 (commencing with Section 65998.5) is
30 added to Division 1 of Title 7 of the Government Code, to read:

31
32 CHAPTER 4.95. EXCEPTIONS AND FEE CALCULATIONS FOR
33 PAYMENT OF FEES, CHARGES, DEDICATIONS, OR OTHER
34 REQUIREMENTS AGAINST A DEVELOPMENT PROJECT
35

36 65998.5. (a) Section 65995.7 shall be inoperative commencing
37 on the earlier of January 1, ____, or the date the full amount of
38 bonds authorized for new school facility construction pursuant to
39 paragraph (1) of subdivision (a) of Section 101122 of the Education

1 Code have been expended or apportioned, and shall remain
2 inoperative until January 1, ____.

3 (b) Section 65995.7 shall again be operative on January 1, ____.

4 65998.6. The percentages reflected in Sections 15102, 15106,
5 15268, and 15270 of the Education Code, as those sections read
6 on January 1, 2025, shall be used for purposes of calculating the
7 fees authorized in Section 65995.5.

8 SEC. 3. Chapter 4.97 (commencing with Section 65999) is
9 added to Division 1 of Title 7 of the Government Code, to read:

10
11 CHAPTER 4.97. MULTIFAMILY HOUSING DEVELOPMENTS
12

13 65999. (a) Notwithstanding any other law, multifamily housing
14 developments that are located no further than one-half mile from
15 a major transit stop shall not be subject to any fee, charge,
16 dedication, or other requirement for the construction or
17 reconstruction of school facilities levied or imposed in connection
18 with, or made a condition of, any legislative or adjudicative act,
19 or both, by any state or local agency involving, but not limited to,
20 the planning, use, or development of real property, or any change
21 in governmental organization or reorganization, as defined in
22 Section 56021 or 56073.

23 (b) Notwithstanding any other law, the maximum amount of
24 any fee, charge, dedication, or other requirement for any
25 multifamily housing development for which subdivision (a) does
26 not apply shall be reduced by 20 percent from the amount
27 calculated pursuant to Section 65995, 65995.5, or 65995.7, for the
28 construction or reconstruction of school facilities levied or imposed
29 in connection with, or made a condition of, any legislative or
30 adjudicative act, or both, by any state or local agency involving,
31 but not limited to, the planning, use or development of real
32 property, or any change in governmental organization or
33 reorganization, as defined in Section 56021 or 56073.

34 (c) For purposes of this chapter, the following definitions apply:

35 (1) "Major transit stop" has the same meaning as that term is
36 defined in Section 21155 of the Public Resources Code.

37 (2) "Multifamily" means a structure containing more than one
38 dwelling unit.

39 (d) This chapter shall become inoperative on January 1, ____,
40 and as of June 1, ____, is repealed.

1 SEC. 4. The provisions of this act are severable. If any
2 provision of this act or its application is held invalid, that invalidity
3 shall not affect other provisions or applications that can be given
4 effect without the invalid provision or application.

5 SEC. 5. Sections 1 to 3, inclusive, of this act shall take effect
6 upon the adoption by the voters of the College Health and Safety
7 Bond Act of 2026, as set forth in Section 1 of this act.

8 SEC. 6. Section 1 of this act shall be submitted to the voters
9 at the ____, 2026, statewide primary election.