

California State PTA

Study and Analysis of Proposition 2

**AUTHORIZES BONDS FOR PUBLIC SCHOOL AND COMMUNITY COLLEGE FACILITIES.
LEGISLATIVE STATUTE.**

November 5, 2024 - Statewide General Election

Legislation Study Committee Report for Statewide Ballot Measure

*Study Committee Members: Candi Kern and Carol Kocivar, in consultation with
Jesús Holguin, Michelle Eklund, and Kathleen Fay*

SUMMARY

This measure makes changes to the existing School Facility Program and establishes 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** to be approved by the voters for the November 2024 statewide ballot.

[Link to law as amended.](#)

Authorizes \$10 billion in general obligation bonds for repair, upgrade, and construction of facilities at K-12 public schools (including charter schools), community colleges, and career technical education programs, including for improvement of health and safety conditions and classroom upgrades. Requires annual audits.

[Text of Prop. 2](#)

Spending Schedule: Prop 2 requires the proceeds from the sale of bonds issued and sold to be allocated in accordance with the following schedule:

New construction	\$3 billion Requires up to 10% to be available to small school districts.
Modernization	\$4 billion Requires up to 10% to be available to small school districts and \$115 million for lead in water testing and remediation
Charter schools	\$600 million
Career technical education programs	\$600 million
California Community Colleges (CCC)	\$1.5 billion

Transitional kindergarten: Authorizes eligible school districts applying for a modernization grant to also receive a supplemental grant for transitional kindergarten facilities if either existing facilities are insufficient, or the school does not have an existing facility.

Health and Safety: Authorizes eligible school districts applying for either a new construction or a modernization grant to also receive a supplemental grant of 5% of project costs to advance state energy goals and adapt to higher average temperatures that pose a threat to the health and safety of students and staff.

Technical Careers: Authorizes eligible school districts applying for a modernization grant to also receive a supplemental grant of up to 5% of project costs that enable school facilities to provide students with the skills and knowledge necessary for high-demand technical careers.

Small and high-needs schools: Establishes a process, including direct technical assistance, to assist small (<2,500 students) and priority (low bonding capacity, high percentage of low income, foster care, and English learner students) school districts in applying for facilities funds and accessing facilities funds.

Address climate change: Allows new construction and modernization projects to advance state energy goals, support outdoor learning environments, and directly shade and protect students from higher average temperatures, which may include incorporating nature, and natural materials.

Old facilities: Establishes a program to allow buildings at least 75 years old to receive the higher new construction funds to demolish and replace rather than rehabilitate a building that may have excessive repairs and does not meet 21st Century educational needs.

Small school districts: Expands the sliding scale points system that determines state matching funds for new construction and modernization grants to include additional points for very small school districts (<200 students) and school districts projects including the use of a project labor agreement.

Facilities master plan: Requires school districts to apply for either a new construction or modernization grant to have a five-year facilities master plan approved by the governing board of the school district, to update the plan as appropriate, and provide facility inventory information to the state.

[Assembly Floor Analysis](#) June 29, 2024

Background

Prior Bonds

The Public Preschool, K-12, and College Health and Safety Bond Act of 2020 (Prop. 13) was defeated by the electorate. Prior to that, Proposition 51 was approved by voters in November 2016.

Facility Needs

The California Department of Education (CDE) estimates that approximately 30% of the state's K-12 classrooms are at least 50 years old and 10% are 70 years old. In addition to health and safety and normal wear and tear, schools need to be updated to meet 21st Century educational needs and environmental efficiencies.

Researchers from the Public Policy Institute of California (PPIC) estimate that California public schools have over \$100 billion in K-12 new construction and modernization facility needs.

While the full amount of bonds authorized by Proposition 51 has still not been sold, K-12 allocations for new construction funds have been depleted since September 2018 while modernization funds were fully allocated in February 2019. According to the Office of Public School Construction (OPSC), as of June 26, 2024, \$1.186 billion in new construction applications and \$2.282 billion in modernization applications have been submitted beyond Proposition 51 funding availability.

[Assembly Floor Analysis](#) June 29, 2024

Equity in school facility funding.

This bill provides several new provisions to provide more equity in school funding.

Implements a sliding scale for state grant amounts, ensuring lower-wealth districts receive a higher proportion of state funding.

- It increases the state's share of new construction project costs from 50 percent to as much as 55 percent.
- It increases the state's share of renovation project costs from 60 percent to as much as 65 percent for these school districts.

- The state would pay a higher share of project costs for school districts that have lower assessed property values and have a higher share of their students who are low income, English learners, or foster youth.
- School districts that are unable to raise at least \$15 million from local bonds (up from \$5 million) to apply for additional state funding. This amount would increase by inflation in future years.
- Enhances state funding via **supplemental grants** for specific needs such as school kitchens, gymnasiums, and transitional kindergarten facilities
- Establishes a program for **replacing outdated buildings** at least 75 years old.
- Assists **small** and **priority school districts** by leveraging a federal grant to provide in-person and ongoing regional support to priority school districts.

[Assembly Floor Analysis](#) June 29, 2024

FISCAL EFFECTS

Increased state costs	About \$500 million each year for 35 years to repay the bond. \$10 billion to be borrowed.
General fund costs	This would be less than one-half of 1 percent of the state's total General Fund budget.
Interest payments	Since the state has to pay interest on the money it borrows, the total cost of the bond would be about 10 percent more (after adjusting for inflation) than if the state paid up front with money it already has. Source of repayment will be general tax revenue.
Unclear effect on local costs statewide	Depends on local decisions.

<https://elections.cdn.sos.ca.gov/statewide-elections/public-display/prop-2-leg-analysis.pdf>

SUPPORT / OPPOSITION

This measure was broadly supported by a long list of school districts and education advocates during the legislative process (as AB 247, Muratsuchi) and was supported by California State PTA. The following have registered their positions with the Secretary of State for Proposition 2: **Supporters:** California Teachers Association; California School Nurses Organization; Community College League of California. **Opponents:** Howard Jarvis Taxpayers Association.

Arguments in Support

The California Teachers Association writes, "This important bond represents a significant commitment to K-12 schools by providing \$8.5 billion to provide both new construction as well as modernization of California's schools, including addressing lead in water, extreme heat mitigation, transitional kindergarten facility needs and career technical education facilities. The bond also provides \$1.5 billion for essential community college facilities. California's schools and community colleges need major upgrades to ensure that students are learning in adequate conditions. With previous school bond funds nearly depleted, our schools and community colleges are in need of a new school facilities bond."

Arguments in Opposition

Public Advocates writes, "Students need equitable access to state school facilities funding for new construction and modernization. On average, the wealthiest 20% of districts have seventeen times more assessed value per pupil than the poorest 20%, sometimes as much as 25 times more.

The existing system – a 60% state match to 40% local – advantages resource-rich districts that can more easily meet their match and more – constructing STEM labs and performing arts centers, while economically disadvantaged districts struggle to repair HVAC systems, repair leaky roofs, and remediate black mold. AB 247 (Muratsuchi) and SB 28 (Glazer) take steps toward equity. More aggressive amendments are needed to avoid a lawsuit and address the long-standing disparity in access to state modernization funds."

According to EdSource:

“Public Advocates proposed a much bigger sliding scale, with no guarantee under the current system that all districts receive at least 50% matching aid for new construction and 60% for modernization. Instead, districts with the lowest assessed property values per student, including Lynwood, San Bernardino City, and Fresno, would get a 95% match from the state, with a 5% local share; property-rich districts, like Palo Alto, Santa Clara, and Santa Barbara, would get a 5% state funding for a 95% local contribution.”

PTA Authorities (See attachment A)

PTA Analysis

Public education is of fundamental interest to the State of California and is a Constitutional guarantee. California State PTA has a consistent history of supporting statewide public education facilities bond measures and has had representation on many statewide campaign committees. It has long been understood that no single facilities bond measure could meet the needs of public school facilities infrastructure and a series of bond measures, with requirements for local matching funds, and provisions to assist poorer districts would be needed.

Funds from previous bond measures have already been allocated.

The state spends billions to support the operations of K-12 public schools. However, public school facilities are funded largely by local facilities bonds (local property taxes). The Prop 13 bond, which was **not** passed in 2020, triggered a growing discussion on how the money should be most equitably allocated. That conversation continued with this proposed bond.

While this bond does not fully address all the equity issues, it does include the provisions noted above.

CONCLUSION/RECOMMENDATION

After thorough study and analysis, the study committee recommends that the California State PTA support Proposition 2, the Kindergarten Through Grade 12 Schools and Local Community College Public Education Facilities Modernization, Repair, and Safety Bond Act of 2024.

ATTACHMENT A: CAPTA AUTHORITIES

RESOLUTION: “BALLOT PROPOSITIONS (INITIATIVES)”

Adopted by Convention Delegates May 1999 / Reviewed by Board of Managers March 2013

(excerpt)

RESOLVED, That the California State PTA participate in statewide efforts to educate the public about the initiative process in general and about specific initiatives as they appear on the ballot; and be it further

RESOLVED, That the California State PTA and its units, councils and districts support efforts to provide the public with clear and understandable information on ballot propositions and encourage full discussion of the issues; and be it further

RESOLUTION: “CALIFORNIA K-12 PUBLIC SCHOOL FUNDING CRISIS”

Adopted by Convention Delegates May 6, 1998 / Reviewed and deemed relevant April 2018

(excerpt)

RESOLVED, That the California State PTA and its units, councils and districts work to educate local public officials, the community and the media that California K12 public schools are underfunded, which has created a crisis situation in both school facilities needs and in educational program needs; and be it further

RESOLVED, That the California State PTA and its units, councils and districts work with local and state policymakers to develop and pursue a long-term school facilities plan that addresses the current school facilities crisis and ensures that school districts will be able to secure adequate funding to meet their school facilities needs; and be it further

RESOLUTION: “EARLY CHILDHOOD DEVELOPMENT AND EDUCATION”

(Adopted by Convention Delegates May 2000) / Reviewed by Board of Managers April 2010

(excerpt)

RESOLVED, That the California State PTA and its units, councils and districts urge school staff and school districts to provide the learning environments and experiences for young children that will help every child grow in competence and meet high expectations.

RESOLUTION: “EARLY CARE AND EDUCATION FOR ALL OF CALIFORNIA’S CHILDREN”

Adopted by Convention Delegates May 2019

(excerpt)

RESOLVED, That the California State PTA and its units, councils, and districts specifically urge the State Legislature to increase the State’s investment in early care and education, so as to increase both the number of children served and the quality of the programs offered, with the goal of making high-quality, publicly funded early care and education available to all children; and be it further

RESOLVED, That the California State PTA and its units, councils, and districts specifically urge the State Legislature to increase the State’s investment in the infrastructure (including but not limited to facilities; data systems; pre-service preparation, in-service support, and adequate compensation for teachers and caregivers) required to create and sustain high-quality early care and education programs modeled on best practices in the highest-achieving states; and be it further

RESOLVED, That such increased investment in early care and education should NOT be offset by, or at the expense of, reductions in the State’s investment in K-12 education, higher education, nutrition, health care, or other programs that improve the lives and prospects of children and youth; and be it further

RESOLUTION: “EDUCATION: A 21st CENTURY VISION”

Adopted by Convention Delegates April 30, 2005 / Reviewed by Board of Managers April 2015

(excerpt)

RESOLVED, That the California State PTA, its units, councils and districts take a leadership role in defining a 21st century education include, but not be limited to, class size that allows every student to reach his or her fullest potential, voluntary, universal preschool for three- and four-year-olds, appropriate instructional minutes for all grade levels, alternative learning modes for students of all ages, adequately compensated and fully credentialed teachers supported by ongoing staff development, adequate materials for learning, including library materials, **appropriate facilities/infrastructure to support the school program**, and an environment that supports parent involvement; and be it further

RESOLUTION: “EDUCATIONAL TECHNOLOGY FUNDING”

Adopted by Convention Delegates May 1995 / Reviewed by the Board of Managers April 2015

(excerpt)

RESOLVED, That the California State PTA support legislation to address technology needs on a statewide basis, with a consistent effort to link all schools and libraries to the information superhighway; and be it further

RESOLVED, That the California State PTA support legislation to promote the inclusion of technology in California’s educational institutions, with particular attention paid to supporting proposals to fund the infrastructure, staff development, curriculum design, software and equipment required, with consistent and adequate funding outside the Proposition 98 funding level guarantees, including, but not limited to bond issues, public-private partnerships, incentives to business, use of special funds, competitive grant programs (private and federal), revenues generated by regulatory processes, and allocation of state resources.

RESOLUTION: “FINANCING CALIFORNIA’S PUBLIC SCHOOLS”

Adopted by Convention Delegates May 2007

(excerpt)

RESOLVED, That the California State PTA and its units, councils and districts work to educate public policy makers, PTA members, community members, and the media about the shared responsibility in the continuing need for the necessary resources and funding for California’s public school programs and facilities; and be it further

RESOLVED, That the California State PTA and its units, councils and districts continue to make financing our public schools, both programs and facilities, a top priority in order to ensure a quality education for every student.

RESOLUTION: “INTERNET ACCESS FOR CALIFORNIA CLASSROOMS”

(Adopted by Convention Delegates May 2000) / Reviewed by Board of Managers November 2010

(excerpt)

RESOLVED, That the California State PTA and its units, councils and districts support legislation to meet technology needs on a statewide basis, with a continuing effort to link all California classrooms to the World Wide Web and other evolving technologies.

RESOLUTION: “SCHOOL CONSTRUCTION FUNDING”

Adopted by Convention Delegates May 1986 / Reviewed and deemed relevant April 2018

(excerpt)

RESOLVED, That the California State PTA seek and support legislation which will increase available funding for school construction, the maintenance of old facilities and the enlargement or improvement of existing housing, streamline the application procedures and upgrade eligibility standards and construction codes; and be it further

RESOLUTION: “TOXINS (PERSISTENT AND BIOACCUMULATIVE) AND THEIR EFFECTS ON CHILDREN”

(Adopted by Convention Delegates May 2002) / Reviewed by Board of Managers March 2012

(excerpt)

RESOLVED, That the California State PTA and its units, councils and districts work to educate the PTA membership and the general public about the hazards to human health, and particularly to children’s health and development, of persistent bioaccumulative toxins (PBTs), including but not limited to lead in paint and drinking fountains, mercury in fish and other products, asbestos in schools and on playgrounds, chemical waste in the environment, pesticide applications and sprayings; and be it further

Position Statement: “Education: Higher Education”

Adopted April 2005 - Reviewed and deemed relevant April 2015- Education Commission

(excerpt)

California State PTA believes that California’s system of public higher education, including community colleges, the California colleges, the California State University, and the University of California, plays a critical role in the economic and cultural vitality of our state and nation. Investment in students’ postsecondary education enriches the lives of all Californians, and provides skilled workers to meet the needs of California’s global economy.

California State PTA supports adequate funding for California’s system of higher education to ensure that eligible students have access to a higher education and that California provides the qualified educators needed for our public schools.

Position Statement: “Education: Support of Public Education”

Adopted October 1991 – Revised April 2015 – Education Commission

(excerpt)

PTA supports and encourages excellence in public education and has since its founding in 1897. California State PTA believes that public education provides a common experience for building and maintaining a commitment to the basic values of a democratic system of government. A strong public education system is vital to California’s well-being in a global society.

Strengthening the public schools requires that all Californians work together and provide support for our public school system. The priority of California must be children and public education.

Position Statement: “Fair Housing”

Adopted May 1981 – Reviewed and deemed relevant May 2016 – Community Concerns Commission

(excerpt)

PTAs should encourage city councils, county boards of supervisors, and city and county housing authorities to

- Adopt and implement balanced community policies that stipulate a mix of housing types as well as provisions for the development of housing for low- and moderate-income families;
- Develop and implement programs utilizing all available funding sources to provide rental and individually owned single- and multi-family housing for low- and moderate-income families.

Position Statement: “Lead Poisoning”

Adopted May 1993 – / Reviewed and deemed relevant February 2015 – Health Commission

(excerpt)

State PTA believes that early screening, identification, treatment, and prevention efforts are essential to protect all children from lead poisoning. Children between the ages of six months and six years should be screened using a blood lead test.

California State PTA urges parents and others responsible for the health and safety of children to:

- Encourage schools and school districts to comply with the recommendations identified in the California Department of Health Services 1998 report, “Lead Hazards in California Public Elementary Schools and Child Care Facilities,” including
 - Compliance with state and federal mandates;
 - Evaluation of the lead content of school drinking water at the outlet;
 - Fencing off or covering bare soils adjacent to painted exterior walls of buildings constructed prior to 1940;
 - Prioritization of deferred maintenance activities to classrooms that house the most vulnerable children;
 - Utilization of the expertise of Department of Health Services certified lead-related construction personnel;and
 - Adoption of and support for the voluntary Lead-safe Schools Program.