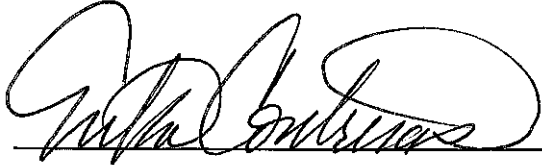


Senate Bill No. 895

Passed the Senate August 31, 2026



Secretary of the Senate

Passed the Assembly August 31, 2026



Chief Clerk of the Assembly

This bill was received by the Governor this 10th day
of September, 2026, at 4 o'clock p. M.



Private Secretary of the Governor

CHAPTER _____

An act to add Chapter 12 (commencing with Section 11899) to Part 1 of Division 3 of Title 2 of the Government Code, relating to the California Science and Health Research Bond Act, 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 those funds, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 895, Wiener. California Science and Health Research Bond Act.

(1) Existing law establishes various grant and loan programs for research, including, among others, the California Institute for Regenerative Medicine, California Firefighter Cancer Prevention and Research Program, and the Public Interest Research, Development, and Demonstration Program. . .

This bill would establish the California Foundation for Science and Health Research within the Government Operations Agency. The bill would require the Secretary of Government Operations to oversee the process of appointing the director of the foundation, and would authorize the Secretary of Government Operations to delegate the task of hiring and determining the salaries, bonuses, and benefits of additional personnel to the director, as specified. The bill would require the director and personnel of the foundation to be responsible for implementing the strategic objectives of the California Foundation for Science and Health Research Council, as described below, administering grants, loans, and contracts awarded by the council, and all other duties as deemed necessary for the operation of the foundation.

This bill would create the California Foundation for Science and Health Research and Innovation Acceleration Fund and require the moneys in the fund to be used by the foundation to award grants and make loans to, and enter into contracts with, public or private research companies, universities, academic medical centers, institutes, and organizations for scientific research and development and for certain economic sectors, as specified, in specific areas of

research, including, but not limited to, biomedical, behavioral health, and climate research. The bill would also create the California Foundation for Science and Health Research and Innovation Acceleration Benefit Fund, to consist solely of private donations. The bill would make the moneys in the benefit fund available for the same purposes as the California Foundation for Science and Health Research and Innovation Acceleration Fund.

This bill would require that, prior to the first grant from the foundation and no later than one year from the date the bill takes effect, the council develop various provisions and requirements to facilitate the foundation's goals of affordability and equitable access. The foundation shall impose various requirements on the grantees, loan recipients, and contractors, as specified, including, among other things, developing strategies to promote equitable access to the subject invention in various specified communities and making the data resulting from the bond-funded research available to the broader scientific community, except in cases involving national security interests. The council shall also establish standards requiring that all grants, awards, and contracts be subject to intellectual property agreements that balance the opportunity for the State of California to benefit from the inventions, technologies, patents, royalties, and licenses that result from research funded by certain public and private grants, as specified.

This bill would create the California Foundation for Science and Health Research Council, as specified, which shall be vested with full power, authority, and jurisdiction over the foundation. The bill would require the council to, among other things, develop the strategic objectives and priorities of the foundation and provide the opportunity for public comment on the foundation's priorities, as specified, determine the research projects that will be funded by the California Foundation for Science and Health Research and Innovation Acceleration Fund, develop objectives and opportunities that offer support to early career researchers, and adopt certain regulations and standards, as specified. The bill would also require the council to consider how the foundation's research priorities relate to or support various economic and industry considerations, as specified. The bill would provide that a majority of the members of the council constitutes a quorum for the transaction of any business, for the performance of any duty, or for the exercise of

any power of the council, except as otherwise provided. The bill would authorize the council to establish one or more scientific peer review panels consisting of experts in specified fields of research for the purposes of reviewing and prioritizing proposals on the basis of the scientific merit of the proposal, the potential benefit to the health and well-being of the population, natural resources, and environment of the state, and the demonstrated background, training, and expertise of the researchers and investigators to conduct the proposed work.

This bill would require all research and development funded by the California Foundation for Science and Health Research and Innovation Acceleration Fund to be conducted under established standards of open scientific exchange, peer review, and public oversight. The bill would require the funds and contracts to be awarded on the basis of the research priorities established for the foundation by the council and the scientific merit of the proposed research, as determined by an open, competitive, scientific peer review process that ensures objectivity, consistency, and high quality.

This bill would enact the California Science and Health Research Bond Act, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$7,500,000,000, pursuant to the State General Obligation Bond Law, to finance grants and loans to fund research and operate and maintain facilities for research.

The bill would provide for the submission of the bond act to the voters at the March 7, 2028, statewide primary election.

(2) Existing law establishes prohibitions and penalties with respect to ethical obligations and conflicts of interest for public officials, including a prohibition on engaging in activities that are incompatible with their official duties and a prohibition on being financially interested in a contract made by them in their official capacity or the board of which they are a part.

This bill would authorize a council member to participate in a decision to approve or award a grant, loan, or contract for the purpose of research into a disease in which the member or their immediate family member has a personal interest, as specified. The bill would provide that service with specified educational institutions and organizations is not incompatible with a council member's duties. The bill would provide that the prohibition on

being financially interested in a contract, as specified, does not apply if the council member recuses themselves from a decision to award or approve a grant, loan, or contract that would otherwise be subject to the prohibition. The bill would provide that council members are subject to certain disclosure requirements relating to personal investments and potential conflicts of interest, as specified.

(3) Existing law, the Bagley-Keene Open Meeting Act, requires that all meetings of a state body be open and public and all persons be permitted to attend any meeting of a state body, with specified exceptions for authorized closed sessions.

This bill would require the Bagley-Keene Open Meeting Act to apply to all meetings of the council and scientific peer review panels, except as specified for when the council or scientific peer review panels meet to consider or discuss specified matters in closed sessions, including matters involving information relating to patients or medical or scientific research subjects, the disclosure of which would constitute an unwarranted invasion of personal privacy.

Existing constitutional provisions require that a statute that limits the right of access to the meetings of public bodies or the writings of public officials and agencies be adopted with findings demonstrating the interest protected by the limitation and the need for protecting that interest.

This bill would make legislative findings to that effect.

(4) This bill would declare that it is to take effect immediately as an urgency statute.

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

SECTION 1. The people of the State of California find and declare the following:

(a) Since World War II, the United States has been a global leader in scientific and health research and innovation. Through the financial support of governmental agencies including, but not limited to, the National Science Foundation (NSF), the National Institutes of Health (NIH), the United States Food and Drug Administration (FDA), the federal Centers for Disease Control and Prevention (CDC), and the National Oceanic and Atmospheric Administration (NOAA), the scientific and health communities

have been able to create life-enhancing scientific, biomedical, and public health discoveries.

(b) Americans have benefited enormously from that research with improved health, cures for diseases, vaccines, and improved air quality and environment. The United States economy has benefited greatly from that research as well.

(c) California produces an astonishing share of the top scientific research on the planet. It is estimated that \$3 of every \$10 in federal research investments are drawn to California. The state accounts for about 47 percent of United States biotechnology research and development spending and generates about 53 percent of the nation's biotechnology revenues. Nearly one-half of all venture capital in the United States is invested in California. That success is driven in large part by the state's world-class universities and research institutions. The University of California is the top research institution in the world for United States patent generation. Every dollar invested in science funding generates more than \$2 in economic activity.

(d) Federal research funding has been integral in supporting the work of public and private research institutions in California. For example, federal funding supports a significant part of the University of California's (UC) and California State University's (CSU) research operations. Federal grants pay for faculty research and the salaries of graduate and postdoctoral student researchers. Federal research grants totaled more than \$5,000,000,000 to the University of California in the 2023–24 fiscal year. Public and private university research has led to the founding of thousands of startups, driving economic expansion and technological innovation. Federal funding reductions limit research opportunities and may impede California's competitiveness and economic progress.

(e) Because the federal government has been one of the largest funders of scientific research in California, foundations, nonprofits, and corporations alone cannot make up the gap when cuts are made by the federal government. Unless the people of California rise up, much of this critical work may come to a halt. Federal cuts to scientific research pose a threat to the well-being of the people of California and will impair California's ability to operate as a global leader in technology, innovation, and research across fields of study.

(f) The people of California propose this ballot measure to create the California Foundation for Science and Health Research (Foundation) to award grants and make loans to, and contract with, public and private universities, research companies, institutes, and health care organizations in California for scientific and health care research and development.

(g) Through the Foundation, funding would be distributed to UC, CSU, other California universities, and public and private entities engaged in critical science and health research. It would provide funding for staff, equipment, and facilities needed to carry out scientific research in fields including, but not limited to, public health, mental health, heart disease, cancer treatment, diabetes, Alzheimer's disease, Parkinson's disease, amyotrophic lateral sclerosis, strokes, child and adult leukemia, infectious diseases, and HIV/AIDS. Priority would be given to established research projects where the federal government has canceled funding. The measure would require annual audits.

(h) This measure will help preserve California's position as a global leader in scientific innovation. This measure would allow important research to continue regardless of what happens at the federal level. This measure will ensure that California is not left behind.

(i) This measure will help sustain and grow the workforce of the state, with runoff economic benefits that will ensure a thriving future for Californians. This measure will support thousands of students and researchers at California universities in good-paying union jobs in growing industries. Supporting good-paying jobs in science, technology, engineering, and mathematics will help keep California economically competitive and generate billions of dollars each year in economic growth.

(j) There is some science that only public institutions will take on, for example cancer drug trials that combine drugs from different pharmaceutical companies, or as yet, unproven technologies in renewable energy. This measure would continue funding scientific research that looks for the greater good.

(k) California's university and college system is a model for universities everywhere, involving students closely in practical, life-saving research. Cuts to federal funding threaten our students' ability to learn the research skills they need to succeed. This

measure will preserve California's university and college system as a pathway to the middle class for California students.

(l) Too many Californians are driven into homelessness by drug abuse and mental health issues. This measure will help address this problem by continuing to fund critical research on promising mental health and addiction treatments.

(m) This measure contains strict fiscal accountability and transparency standards, including annual independent audits and public disclosure of all funding to ensure that Legislative allocations and bond funding is spent effectively, efficiently, and as promised.

(n) This measure will authorize the creation of regulations and standards that are intended to directly recoup part of the investment by the people of the State of California into scientific and health care research and development in the state by capturing a portion of the revenue from highly profitable inventions, such as blockbuster drugs, while not inhibiting startup companies or otherwise harming the technology transfer process.

SEC. 2. Chapter 12 (commencing with Section 11899) is added to Part 1 of Division 3 of Title 2 of the Government Code, to read:

CHAPTER 12. CALIFORNIA SCIENCE AND HEALTH RESEARCH BOND ACT

Article 1. California Foundation for Science and Health Research

11899. As used in this chapter, the following terms have the following meaning:

(a) "Act" means the California Science and Health Research Bond Act constituting this chapter.

(b) "Benefit fund" means the California Foundation for Science and Health Research and Innovation Acceleration Benefit Fund created pursuant to paragraph (2) of subdivision (a) of Section 11899.2.

(c) "Committee" means the California Foundation for Science and Health Research Finance Committee created pursuant to subdivision (a) of Section 11899.14.

(d) "Council" means the California Foundation for Science and Health Research Council created pursuant to Section 11899.3.

(e) “Foundation” means the California Foundation for Science and Health Research established pursuant to Section 11899.1.

(f) “Fund” means the California Foundation for Science and Health Research and Innovation Acceleration Fund created pursuant to paragraph (1) of subdivision (a) of Section 11899.2.

(g) “Subject invention” means any invention of the contractor conceived or first actually reduced to practice in the performance of work under a funding agreement.

11899.1. (a) The California Foundation for Science and Health Research is established within the Government Operations Agency.

(b) (1) The foundation’s role is to facilitate scientific research by awarding grants and making loans to, and entering contracts with, public or private research companies, universities, academic medical centers, institutes, and organizations for scientific research and development and to construct facilities for research and development and for sectors identified as “Bet” and “Accelerate” sectors in the California Jobs First State Economic Blueprint, as published and updated by the Governor’s Office of Business and Economic Development, including, but not limited to, any of the following fields of research:

(A) Biomedical, including finding cures for high mortality diseases, including, but not limited to, cancer, Alzheimer’s disease, Parkinson’s disease, amyotrophic lateral sclerosis, heart disease, strokes, child and adult leukemia, infectious diseases, HIV/AIDS, and genetic and chronic diseases that affect children and infants.

(B) Public health, including, but not limited to, environmental health detecting and responding to new and emerging health threats.

(C) Disease prevention, including, but not limited to, cancer, Alzheimer’s disease, Parkinson’s disease, amyotrophic lateral sclerosis, heart disease, strokes, child and adult leukemia, infectious diseases, and HIV/AIDS.

(D) Promoting healthy and safe behaviors, communities, and environment.

(E) Wildfire prevention.

(F) Behavioral health, including, but not limited to, addiction and substance use disorders.

(G) Climate, including climate change and its impact on human health.

(H) Weather.

(I) Ocean, including sea level rise.

(J) Coastal and marine ecosystems and resources.

(K) Agriculture and water.

(L) Emerging technologies.

(M) Safety, efficacy, and security of drugs, biological products, medical devices, our nation's food supply, and cosmetics.

(N) Seismic and related geohazards.

(2) The foundation may enter into interagency agreements with state agencies to administer programs funded under this chapter.

(c) (1) The Governor shall appoint the director of the foundation. The salary for the director shall not exceed the base salary of the Provost and Executive Vice President of Academic Affairs of the University of California.

(2) The director and personnel of the foundation shall be responsible for implementing the strategic objectives of the council, administering the grants, loans, and contracts awarded by the council, and all other duties as deemed necessary for the operation of the foundation.

11899.2. (a) (1) The California Foundation for Science and Health Research and Innovation Acceleration Fund is hereby created in the State Treasury. The proceeds of bonds issued and sold pursuant to this chapter shall be deposited in the fund pursuant to Section 11899.10.

(2) (A) The California Foundation for Science and Health Research and Innovation Acceleration Benefit Fund is hereby created in the State Treasury.

(B) The benefit fund shall consist solely of private donations.

(C) All moneys in the benefit fund, notwithstanding Section 13340, are hereby continuously appropriated without respect to fiscal years for the purposes of this chapter. Moneys in the benefit fund shall be made available for the same purposes as the moneys in the California Foundation for Science and Health Research and Innovation Acceleration Fund.

(b) The proceeds of interim debt and bonds issued and sold pursuant to this chapter, excluding those issued in accordance with Section 11899.21, shall be deposited into the State Treasury to the credit of the California Foundation for Science and Health Research and Innovation Acceleration Fund, except to the extent that proceeds of the issuance of bonds are used directly to repay interim debt.

(c) Moneys in the fund shall be used by the foundation to award public and private grants to, make loans to, and enter into contracts with, public or private research companies, universities, academic medical centers, institutes, and organizations for scientific research and development, including, but not limited to, research in any of the fields described in paragraph (1) of subdivision (b) of Section 11899.1.

(d) (1) All research and development funded by the fund shall be conducted under established standards of open scientific exchange, peer review, and public oversight, including, but not limited to, the California Taxpayer Access to Publicly Funded Research Act (Chapter 2.5 (commencing with Section 13989) of Part 4.5), if applicable.

(2) All grants, loans, or contracts provided under this section shall be awarded or made available to researchers or projects located within this state, except that funding for research collaboratives between California and out-of-state researchers shall be permitted where the majority of the research is being conducted in California. For the purposes of this paragraph, the term “majority of the research” shall mean that 75 percent of the funds awarded by the foundation to a specific project are utilized by that project for research activities in California.

(3) No funds shall be awarded or made available to an entity that constitutes a “foreign entity of concern,” as defined in Section 4651(8) of Title 15 of the United States Code and related regulations.

(4) All grants, loans, or contracts provided under this section shall be awarded based on the following:

(A) Consistency with the research priorities established for the foundation by the California Foundation for Science and Health Research Council as described in subdivision (a) of Section 11899.3.

(B) The scientific merit of the proposed research, as determined by an open, competitive, scientific peer review process that ensures objectivity, consistency, and high quality, as described in Section 11899.4.

(C) Any funds allocated to a United States Department of Energy or National Aeronautics and Space Administration laboratory or field center pursuant to this section shall be conducted in accordance with the Federal Laboratory Contracting Act, as set

forth in Chapter 7 (commencing with Section 12500) of Part 2 of Division 2 of the Public Contract Code. Only national laboratories and centers operating within California may be eligible for these funds.

(5) The foundation shall prioritize funding research impacted by discretionary programmatic funding cuts by the federal government and for research that supports or accelerates the development and deployment of research and innovations to grow California's economy and that can lead to the creation of high-quality job opportunities.

(6) To be eligible for funding, all research projects involving human subjects shall be reviewed and approved by an institutional review board that meets the requirements of applicable laws and regulations, including, but not limited to, the California Taxpayer Access to Publicly Funded Research Act (Chapter 2.5 (commencing with Section 13989) of Part 4.5) and the Protection of Human Subjects in Medical Experimentation Act (Chapter 1.3 (commencing with Section 24170) of Division 20 of the Health and Safety Code).

(7) The California State University and the University of California may submit proposed projects to the Department of Finance for approval for the construction and modernization of science, health care, technology, engineering, and other facilities that support research consistent with the priorities of the foundation. Upon approval, the Department of Finance may allocate funds through the budget for those projects from the fund. One billion dollars (\$1,000,000,000) shall be utilized for this purpose. Two hundred fifty million dollars (\$250,000,000) of this money shall be available to the University of California, and seven hundred fifty million dollars (\$750,000,000) of this money shall be available to the California State University.

(e) (1) It is the intent of the Legislature that the foundation include provisions in the grants, loans, and contracts that any biomedical inventions and technologies developed in whole or in part as a result of bond-funded research are affordable and available to Californians, and that the funding supports principles of open science where possible.

(2) Prior to the first grant from the foundation, and no later than one year from the date this legislation takes effect, the council shall develop such provisions to facilitate the foundation's goals

of affordability and equitable access that will include at least the following subjects, with requirements that the obligations of the provisions, when applicable, be passed through to further licensees, sublicensees, or assignees:

(A) The foundation shall require that grantees, loan recipients, and contractors submit, for the review and approval of the foundation, access plans specifying strategies and timelines for promoting equitable access to the subject invention in California, the United States, and in low- and middle-income countries (LMICs) on fair and reasonable conditions across criteria of affordability, availability, acceptability, sustainability, and transparency. The foundation shall create guidance for grantees, loan recipients, and contractors regarding these parameters and shall include nonlimiting examples of modalities for equitable access, such as, for example, nonexclusive licensing, technology transfer, and data sharing. The guidance shall further enumerate the timing for submission and updating of access plans, as well as the manner in which access plans will be evaluated by the foundation, and articulate at least (i) the manner in which the foundation's expectations of equitable access should be flexible to reflect both public health needs and the uncertainties of product development and patient access, and proportional to the extent to which the foundation's funding for the subject invention was responsible for the final commercializable product vis-à-vis private funding, and (ii) processes where the access plan, in whole or in part, may be waivable, such as for where the foundation funding does not yield a medical technology, or where aspects of the access plan are infeasible.

(B) The foundation shall require grantees, loan recipients, and contractors to manage, preserve, and make available any data resulting from bond-funded research to the broader scientific community for educational, academic, or research purposes, except where such requests are made by a "foreign country of concern," as defined in Section 4651(7) of Title 15 of the United States Code, or an instrument thereof, or a "foreign entity of concern," as defined in Section 4651(8) of Title 15 of the United States Code, or if such disclosure could impair national security. Grantees, loan recipients, and contractors shall also be required to provide free public access to any publication that results from bond-funded research.

(C) The foundation shall require that subject inventions support Californian pandemic preparedness and health security by ensuring the inclusion of further provisions that may be triggered in the event of a declaration by the World Health Organization of a public health emergency of international concern (PHEIC) in relation to a pathogen or disease for which the subject invention is or may reasonably be expected to be relevant for prevention, diagnosis, or treatment, for the duration of the PHEIC, with additional access commitments designed to prioritize timely and equitable supply of the subject invention in LMICs, taking into account global health needs and available manufacturing capacity. Such access commitments may include, for example, either as independent measures or in combination, requirements to license the subject invention to a recognized licensing body or to facilitate technology transfer in order to facilitate the rapid development, manufacture, and distribution of the subject invention.

(D) The foundation may require grantees, loan recipients, and contractors to grant a nonexclusive, partially exclusive, or exclusive license in any field of use to a responsible applicant or applicants, upon terms that are reasonable under the circumstances, if the State of California determines either of the following:

(i) Such action is necessary because the grantee, loan recipient, or contractor licensee has not taken, or is not expected to take within a reasonable time, effective steps to achieve practical application of the foundation-funded invention in that field of use, as evidenced by a failure to timely complete specified development milestones contained in the license agreement.

(ii) Such action is necessary to alleviate health or safety needs that are not reasonably satisfied by the grantee, loan recipient, contractor, or their licensee as evidenced by a failure to timely complete specified development milestones contained in the license agreement.

(E) Before exercising authority under subparagraph (D), the foundation shall provide written notice of the grounds for the proposed action, a reasonable opportunity to cure any deficiency, and an opportunity for a hearing under procedures to be established by the foundation.

(3) (A) It is the intent of the Legislature that the foundation draw upon the greatest successes in American history in order to

be equipped to solve the most pressing problems facing California and the nation.

(B) In furtherance of subparagraph (A), it is the intent of the Legislature that the foundation accomplish all of the following:

(i) Learn from the most ambitious research models of the past century, including the DARPA/ARPA-E/ARPA-H model and Operation Warp Speed. At least 10 percent of the moneys in the fund shall be allocated consistent with the Advanced Research Projects Agency model that relies on collaboration between academic, industry, and government partners to pursue revolutionary breakthroughs focused on tangible, solutions-oriented aims. No more than 1.5 percent of total bond funds shall be allocated each year for this specific purpose. This model shall be referred to as California Advanced Research Project Activities or Cal-ARPA.

(ii) Support the commercialization of research by providing grants, loans, or contracts to entities that are focused on this purpose. Priority shall be provided to entities that can demonstrate job growth or future manufacturing opportunities in California or that can demonstrate additional funding mechanisms. No less than two hundred fifty million dollars (\$250,000,000) shall be utilized for this purpose, and no more than 0.5 percent of total bond funds shall be allocated each year for this specific purpose. No funds shall be used to support manufacturing in a “foreign country of concern,” as defined in Section 4651(7) of Title 15 of the United States Code, or a “foreign entity of concern,” as defined in Section 4651(8) of Title 15 of the United States Code, regardless of domicile.

(iii) Support a greater diversity of ideas by allocating funding for projects that are riskier than those typically funded by federal agencies and by ensuring that early career scientists, including scientists under 40 and scientists fewer than 10 years since completing their PhDs, are supported by the foundation.

(iv) Create award approval systems that are efficient and not overly reliant on paperwork, freeing up scientists to spend more time doing critical work.

(f) Not more than 3 percent of the moneys in the fund shall be used for administrative costs. Administrative costs include, but are not limited to, all of the following:

(1) Salaries and benefits paid or incurred with respect to the hiring or retention of a director of the foundation and other officers and administrative staff that shall work on behalf of the foundation under the supervision of the director.

(2) Legal and accounting fees and expenses.

(3) All costs associated with the establishment and operation of the foundation, including, but not limited to, office rent, overhead, information technology and data systems, office supplies and equipment, clerical services, utilities, telephone, travel, repairs and maintenance, program audits, and other general costs of operating the foundation.

(g) All intellectual property assets developed using funds authorized for, or made available to, the foundation shall be treated pursuant to state and federal law. Proceeds of intellectual property assets shall be deposited into the fund and shall be used consistent with this act.

(h) The foundation shall recommend to the council, and the council shall adopt, standards to ensure that if the grantee, loan recipient, or contracted entity purchases goods or services using funds authorized for, or made available to, the foundation, the goods or services purchased are from California suppliers to the extent reasonably possible, in a good faith effort to achieve a goal of more than 50 percent of purchases from California suppliers.

11899.3. (a) There is hereby established the California Foundation for Science and Health Research Council, which shall be vested with full power, authority, and jurisdiction over the foundation, including the authority to adopt regulations, and shall do all of the following:

(1) Develop the strategic objectives and research priorities of the foundation. The council shall provide opportunity for the public to provide comments on the priorities of the foundation in accordance with Section 11899.7. The council shall also consider how the research priorities relate to or support areas critical to California's economy, as identified as "Bet" and "Accelerate" sectors in the California Jobs First State Economic Blueprint, as published and updated by the Governor's Office of Business and Economic Development. The council shall further consider how the research priorities capitalize on and connect to regional research hubs, taking into account close proximity to relevant industry clusters, such as energy, life sciences, and other fields of research,

as identified in paragraph (1) of subdivision (b) of Section 11899.1, with a focus on emerging industries.

(2) Actively participate in the overall management of the foundation.

(3) Determine which research projects will be funded by the fund based on the research priorities established for the foundation pursuant to paragraph (1) and the technical merits of the proposals, as determined by scientific peer review panels created pursuant to Section 11899.4.

(4) Develop objectives and opportunities that offer support to early career researchers at California universities and the private sector.

(5) Adopt regulations and standards to directly recoup or benefit from the investment by the people of the State of California into scientific and health care research and development in the state by capturing a portion of the revenue from highly profitable inventions, such as blockbuster drugs, while not inhibiting startup companies or otherwise harming the technology transfer process.

(b) (1) The council shall consist of all of the following:

(A) Nine members shall be appointed by the Governor.

(i) In making appointments to the council, the Governor shall consider appointees that bring scientific or research expertise, health or patient advocacy, economic expertise, or have demonstrated leadership in public entities, organizations, industries, or academic institutions aligned to the goals of the bond.

(ii) One member shall be a graduate-level researcher with current or past research experience in the fields described in paragraph (1) of subdivision (b) of Section 11899.1.

(iii) One member shall be a postdoctoral scholar with current or past research experience in the fields described in paragraph (1) of subdivision (b) of Section 11899.1.

(iv) One member shall have a background in research policy.

(B) One member shall be a health care provider appointed by the Senate Rules Committee.

(C) One member shall be an advocate in climate, environmental health, or environmental fields appointed by the Speaker of the Assembly.

(D) One member shall be the chief executive officer of the California Council on Science and Technology, or their designee.

(E) One member shall be a designee of the President of the University of California, if the president chooses to designate a representative, who shall be a scientist or hold a background in science or research.

(F) One member shall be a designee of the Chancellor of the California State University, if the chancellor chooses to designate a representative, who shall be a scientist or hold a background in science or research.

(G) One member shall be the President of the Association of Independent California Colleges and Universities, or the president's designee, who shall be a scientist or hold a background in science or research.

(2) Any appointees to the council shall not be subject to confirmation by the Senate.

(c) (1) The members of the council shall serve four-year terms expiring June 30.

(2) The first terms for four of the appointments made by the Governor and the appointee of the Senate Committee on Rules shall be a two-year term.

(3) If the graduate-level researcher or postdoctoral scholar appointed pursuant to subparagraph (A) of paragraph (1) of subdivision (b) earns their degree or completes their placement before the conclusion of their four-year term, the graduate-level researcher or postdoctoral scholar may serve out the remainder of the academic year on the council. At the conclusion of the academic year, the Governor shall appoint a current graduate-level researcher or postdoctoral scholar who shall serve out the remainder of the term.

(4) If a vacancy occurs within a term, the appointing authority shall appoint a replacement member to serve the remainder of the term.

(5) When a term expires, the appointing authority shall appoint a member. A member shall serve until the appointment and qualification of their successor or until 365 days have elapsed since the expiration of the term, whichever occurs first.

(6) A grant, loan, or contract shall not be approved if there are more than six vacancies on the council.

(7) The first chair of the council shall be the Governor's appointee with a background in research policy and shall serve as

chair for two years. Each subsequent chair shall be elected by the members of the council for a term of two years.

(d) A majority of the membership of the council constitutes a quorum for the transaction of any business, for the performance of any duty, or for the exercise of any power of the board. If a vacancy or recusal in the council occurs, then a majority of the remaining members of the council constitutes a quorum.

(e) Council members shall serve without compensation, but may receive reimbursement for travel and necessary expenses actually incurred in the performance of their duties.

(f) (1) Unless prohibited by another law, including the Political Reform Act of 1974, a member may participate in a decision to approve or award a grant, loan, or contract to a person or entity for the purpose of research involving either a disease from which the member or their immediate family member suffers or a disease in which the member has an interest as a representative of a disease advocacy organization.

(2) Notwithstanding any other law:

(A) Service or employment as a trainee or member of the faculty or administration of the University of California, California State University, or the Association of Independent California Colleges and Universities, or as a member of the California Council on Science and Technology, is not, by itself, inconsistent, incompatible, in conflict with, or inimical to the duties of the council member and shall not result in the automatic forfeiture of either office or position.

(B) Service or employment as a representative or employee of a disease advocacy organization, a nonprofit academic and research institution, or a life science commercial entity is not inconsistent, incompatible, in conflict with, or inimical to the duties of the council member.

(3) For purposes of Section 1090, the council may approve or award a grant, loan, or contract in which a member of the council is financially interested as long as the interested member recuses themselves from making, participating in making, or attempting to use their official position to influence a decision on the grant, loan, or contract. If this condition is satisfied, this transaction shall be deemed not to create a violation of Section 1090.

(4) Disclosure requirements under Article 2 (commencing with Section 87200) of Chapter 7 of Title 9 shall apply to council members.

(5) For purposes of this subdivision, “decision” does not include the adoption of standards.

11899.4. (a) The council may establish one or more scientific peer review panels consisting of experts in the fields described in paragraph (1) of subdivision (b) of Section 11899.1 for the purposes of reviewing and prioritizing proposals on the basis of the scientific merit of the proposal, the potential benefits to the health and well-being of the population, natural resources, and environment of the state, and the demonstrated background, training, and expertise, as appropriate for their career stage, of the researchers and investigators to conduct the proposed work.

(b) An expert on a scientific review panel shall not have a collaborative or commercial relationship with any applicant of a proposal for funding that the expert is reviewing and prioritizing pursuant to subdivision (a).

11899.5. (a) The foundation shall issue an annual report that sets forth the foundation’s activities, grants awarded, loans made available, contracts entered, grants, loans, and contracts in progress, research accomplishments, and future program directions. The annual report shall be published on the foundation’s internet website.

(b) Each annual report shall include, but not be limited to, all of the following:

(1) The number and dollar amounts of research and facilities grants, loans, and contracts.

(2) The grantees, loan recipients, and contracted entities for the prior year.

(3) The foundation’s administrative expenses.

(4) An assessment of the availability of funding for research from sources other than the foundation.

(5) A summary of research findings, including promising new research areas.

(6) An assessment of the relationship between the foundation’s grants, loans, and contracts and the overall strategy of its research program.

(7) An assessment or summary of how the work funded by the foundation is having an impact on Californians or is supportive of

California's economy or job opportunities. The foundation shall consult with the Governor's Office of Business and Economic Development in the preparation of this assessment or summary.

(8) A report of the foundation's strategic research and financial plans.

11899.6. The foundation shall annually commission an independent financial audit of its activities from a certified public accounting firm, which shall be provided to the Controller, who shall review the audit and annually issue a public report of that review. The Controller shall hold a public meeting with appropriate notice and a formal public comment period. The Controller shall evaluate public comments and shall include appropriate summaries in the annual report.

11899.7. (a) The Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1) shall apply to all meetings of the council and a scientific peer review panel created pursuant to Section 11899.4, except as otherwise provided in this section. The council shall disclose all awarded grants and contracts entered into in public meetings, and shall award all grants, loans, and contracts in public meetings. The council and a scientific peer review panel created pursuant to Section 11899.4 shall adopt all governance, scientific, medical, and regulatory standards in public meetings.

(b) The council and a scientific peer review panel created pursuant to Section 11899.4 may conduct closed sessions as permitted by the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1) under Section 11126. In addition, the council and a scientific peer review panel created pursuant to Section 11899.4 may conduct closed sessions when it meets to consider or discuss any of the following:

(1) Matters involving information relating to patients or medical or scientific research subjects, the disclosure of which would constitute an unwarranted invasion of personal privacy.

(2) Matters involving confidential intellectual property or a work product, whether patentable or not, including, but not limited to, any formula, plan, pattern, process, tool, mechanism, compound, procedure, production data, or compilation of information that is not patented, that is known only to certain individuals who are using it to fabricate, produce, or compound an article of trade or a service having commercial value, and that gives its user an

opportunity to obtain a business advantage over competitors who do not know it or use it.

(3) Matters involving scientific data, analyses, or other research products not yet formally published in academic literature.

(4) Matters concerning the appointment, employment, performance, compensation, or dismissal of foundation officers and employees. Action on compensation of the foundation's officers and employees shall only be taken in open session.

(5) Matters believed to pose a security risk to the people of California.

11899.8. (a) The council shall establish standards that require that all grants and loan awards be subject to intellectual property agreements that balance the opportunity of the State of California to benefit from the inventions, technologies, patents, royalties, and licenses that result from research funded by public and private grants to, and loans to, public and private research companies, universities, institutes, and organizations for scientific research and development, including, but not limited to, research in any field described in paragraph (1) of subdivision (b) of Section 11899.1, with the need to ensure that such research is not unreasonably hindered by such intellectual property agreements.

(b) The council shall have the authority to adopt regulations to implement this section.

Article 2. California Foundation for Science and Health Research Bonds

11899.10. The proceeds of bonds, excluding those issued in accordance with Section 11899.21, issued and sold pursuant to this chapter shall be deposited into the California Foundation for Science and Health Research and Innovation Acceleration Fund. All moneys in the fund, notwithstanding Section 13340, are hereby continuously appropriated without respect to fiscal years for the purposes of this chapter.

11899.11. (a) Moneys in the fund shall be available for both of the following:

(1) Grants, loans, and contracts to fund research and operate and maintain facilities for research as provided in this chapter.

(2) Paying general administrative costs of the foundation, not to exceed 3 percent of the amount in the fund.

(b) Repayment of principal and interest on any loans made by the foundation pursuant to this chapter shall be deposited into the fund and used to make additional grants, loans, and contracts for the purposes of this act or for paying continuing costs of the annual administration of outstanding bonds.

11899.12. (a) Bonds in the total amount of seven billion five hundred million dollars (\$7,500,000,000), not including the amount of any refunding bonds issued in accordance with Section 11899.21, may be issued and sold for the purposes expressed in this chapter and to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5. 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 both the principal of, and interest on, the bonds as the principal and interest become due and payable.

(b) The Treasurer shall issue and sell the bonds authorized in subdivision (a) in the amount determined by the committee to be necessary or desirable pursuant to Section 11899.15. The bonds shall be issued and sold upon the terms and conditions specified in a resolution to be adopted by the committee pursuant to Section 16731.

11899.13. (a) The bonds authorized by this chapter shall be prepared, executed, issued, sold, paid, and redeemed as provided in the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4), as amended from time to time, and all of the provisions of that law apply to the bonds and to this chapter and are hereby incorporated in this chapter as though set forth in full in this chapter, except that subdivisions (a) and (b) of Section 16727 shall not apply to restrict the use of bond proceeds to finance the operation and maintenance of facilities as provided in Section 11899.11.

(b) For purposes of this chapter, the references to “committee” in the State General Obligation Bond Law shall mean the California Foundation for Science and Health Research Finance Committee created in Section 11899.14, and the references to “board” in the State General Obligation Bond Law shall mean the California Foundation for Science and Health Research, established by Section 11899.1.

11899.14. (a) Solely for the purpose of authorizing the issuance and sale, pursuant to the State General Obligation Bond Law, of the bonds and interim debt authorized by this chapter, the California Foundation for Science and Health Research Finance Committee is hereby created.

(b) (1) The committee consists of all of the following:

(A) The Treasurer.

(B) The Controller.

(C) The Director of Finance.

(D) The Director of the California Foundation for Science and Health Research.

(E) Two members of the California Foundation for Science and Health Research Council, chosen by the Governor, or their designated representatives.

(2) The Treasurer shall serve as chairperson of the committee. A majority of the committee may act for the committee.

(3) Notwithstanding any other law, any member may designate a representative to act as that member in the member's place for all purposes, as though the member were personally present.

(c) The committee shall act independently of the foundation and council, but may request recommendations and relevant information so as to understand the financial needs of the foundation to accomplish the strategic objectives and research priorities established pursuant to Section 11899.3.

11899.15. The committee, by resolution, shall determine whether or not it is necessary or desirable to issue and sell bonds authorized pursuant to this chapter in order to carry out the actions specified in this chapter and, if so, the amount of bonds to be issued and sold. Successive issues of bonds may be authorized and sold to carry out those actions progressively, and it is not necessary that all of the bonds authorized to be issued be sold at any one time.

11899.16. 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 becoming due 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.

11899.17. Notwithstanding Section 13340, there is hereby continuously appropriated from the General Fund in the State Treasury, for the purposes of this chapter and without regard to fiscal years, an amount that equals the total of 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.

11899.18. For the purpose of carrying out this chapter, the Director of Finance may authorize the withdrawal from the General Fund of an amount, not to exceed the amount of the unsold bonds that have been authorized by the committee, to be sold for the purpose of carrying out this chapter, excluding any refunding bonds authorized pursuant to Section 11899.21 and any amount withdrawn from the General Fund pursuant to this section and not yet returned to the General Fund. Any amount withdrawn shall be deposited into the fund. Any moneys made available under this section shall be returned to the General Fund, with interest at the rate earned by the moneys in the Pooled Money Investment Account, from proceeds received from the sale of bonds for the purpose of carrying out this chapter.

11899.19. All moneys deposited into the fund that are derived from premium and accrued interest on bonds sold pursuant to this chapter shall be reserved in the fund and shall be available for transfer to the General Fund as a credit to expenditures for bond interest, except those amounts derived from premium may be reserved and used to pay the cost of bond issuance before any transfer to the General Fund.

11899.20. The bonds issued and sold pursuant to this chapter may be refunded in accordance with Article 6 (commencing with Section 16780) of Chapter 4 of Part 3 of Division 4, which is a part of the State General Obligation Bond Law. Approval by the voters of the state for the issuance of the bonds described in this chapter includes the approval of the issuance of any bonds issued to refund any bonds originally issued under this chapter or any previously issued refunding bonds. Any bond refunded with the proceeds of refunding bonds as authorized by this section may be legally defeased to the extent permitted by law in the manner and to the extent set forth in the resolution, as amended from time to time, authorizing that refunded bond.

11899.21. Notwithstanding any other provision of this chapter or 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 maintain separate accounts for the investment of bond proceeds and for the investment of earnings on those proceeds. The Treasurer may use or direct the use of those proceeds or earnings to pay any rebate, penalty, or other payment required under federal law or to take any other action with respect to the investment and use of bond proceeds or earnings required or desirable under federal law to maintain the tax-exempt status of those bonds and to obtain any other advantage under federal law on behalf of the funds of this state.

11899.22. The proceeds from the sale of bonds authorized by this chapter are not "proceeds of taxes" as that term is used in Article XIII B of the California Constitution, and the disbursement of these proceeds is not subject to the limitations imposed by that article.

SEC. 3. The provisions of this act are severable. If any portion, section, subdivision, paragraph, clause, sentence, phrase, word, or application of this act is for any reason held to be invalid by a decision of any court of competent jurisdiction, that decision shall not affect the validity of the remaining portions of this act. The people of the State of California hereby declare that they would have adopted this act and each and every portion, section, subdivision, paragraph, clause, sentence, phrase, word, and application not declared invalid or unconstitutional without regard to whether any portion of this act or application thereof, would be subsequently declared invalid.

SEC. 4. Section 2 of this act shall take effect upon the approval by the voters of the California Science and Health Research Bond Act, as set forth in Section 2 of this act.

SEC. 5. (a) Notwithstanding Section 9040 of the Elections Code, or any other law, Section 2 of this act shall be submitted by the Secretary of State to the voters at the March 7, 2028, statewide primary election.

(b) The requirement of Section 9040 of the Elections Code that a measure submitted to the people by the Legislature appear on

the ballot of the first statewide election occurring at least 131 days after the adoption of the proposal by the Legislature shall not apply to Section 2 of this act.

SEC. 6. This act shall be broadly construed to accomplish its purposes. The statutory provisions of the act may be amended so long as those amendments are consistent with and further the intent of this act by a statute that is passed by a two-thirds vote of the members of each house of the Legislature and signed by the Governor.

SEC. 7. (a) This act shall be liberally construed to effectuate its purposes.

(b) If this measure is approved by the voters but superseded in whole or in part by a conflicting measure approved by the voters at the same election, and the conflicting measure is later held to be invalid, this measure shall be self-executing and given full force and effect.

SEC. 8. The Legislature finds and declares that Section 2 of this act, which adds Section 11899.7 to the Government Code, imposes a limitation on the public's right of access to the meetings of public bodies or the writings of public officials and agencies within the meaning of Section 3 of Article I of the California Constitution. Pursuant to that constitutional provision, the Legislature makes the following findings to demonstrate the interest protected by this limitation and the need for protecting that interest:

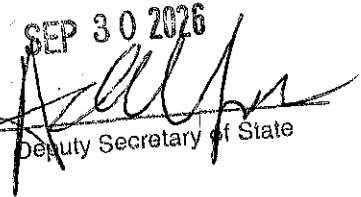
To protect the privacy rights and the intellectual property interests of individuals and the security of the public, it is necessary to restrict the public's access to this information.

SEC. 9. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the California Constitution and shall go into immediate effect. The facts constituting the necessity are:

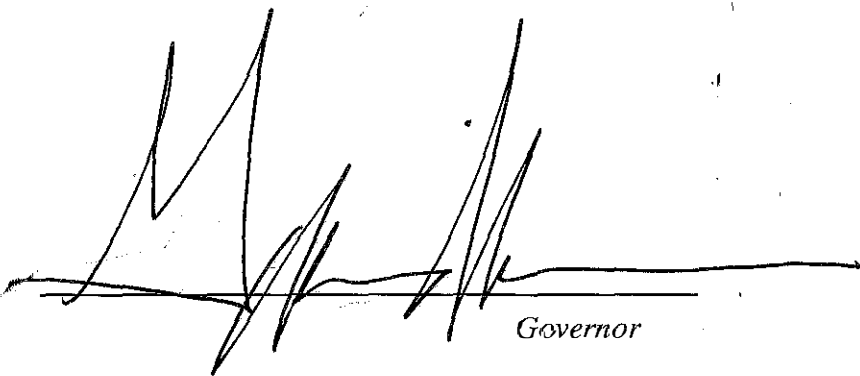
Due to the uncertainty from the current federal administration relating to the availability and amount of federal funding for research and the instability this uncertainty causes in the California research sector, it is necessary for this act to take effect immediately to clearly demonstrate to Californians and the state's research institutions the state's investment and continued commitment to publicly funded research.

FILED
in the office of the Secretary of State
of the State of California

SEP 30 2026

By 
Deputy Secretary of State

Approved _____ SEP 30 _____ 2026


Governor