

Amend Education Code 92493:

(a) (1) The University of California may pledge, along with its other revenues, its annual General Fund support appropriation less the amount of that appropriation that is required to fund general obligation bond payments and the State Public Works Board rental payments, to secure the payment of any of the university's general revenue bonds or commercial paper associated with the general revenue bond program and to secure payment for any availability payments, lease payments, installment payments, and other similar or related payments.

(2) To the extent the university pledges any part of its support appropriation as a source of revenue securing any obligation, it shall provide that this commitment of revenue is subject to annual appropriation by the Legislature.

(3) The university may fund debt service for capital expenditures defined in subdivision (b), and make availability payments, lease payments, installment payments, and other similar or related payments for capital expenditures defined in subdivision (b), from its General Fund support appropriation pursuant to Sections 92495 and 92495.5.

(4) The state hereby covenants with the holders of the university's obligations secured by the pledge of the university permitted by this section that, so long as any of the obligations referred to in this subdivision remain outstanding, the state will not impair or restrict the ability of the university to pledge any support appropriation or support appropriations that may be enacted for the university. The university may include this covenant of the state in the agreements or other documents underlying the university's obligations to this effect.

(b) For purposes of this section, the following definitions shall apply:

(1) "Availability payments" are payments made by the university to a contractor for providing an available facility.

(2) "Capital expenditures" means any of the following:

(A) The costs to design, construct, or equip academic facilities to address seismic and life safety needs, enrollment growth, or modernization of out-of-date facilities, and renewal or expansion of infrastructure to serve academic programs.

(B) The debt service amount associated with refunding, defeasing, or retiring State Public Works Board lease revenue bonds.

(C) The costs to design, construct, or equip energy conservation projects.

[\(D\) The costs of deferred maintenance of academic facilities and related infrastructure.](#)

(c) Nothing in this section shall require the Legislature to make an appropriation from the General Fund in any specific amount to support the University of California.

(d) The ability to utilize its support appropriation as stated in this section shall not be used as a justification for future increases in student tuition, additional employee layoffs, or reductions in employee compensation at the University of California.

