



CONTRA COSTA COUNTY

AGENDA

Legislation Committee

Supervisor Diane Burgis, Chair

Supervisor Shanelle Scales-Preston, Vice Chair

Monday, July 28, 2025

9:00 AM

**3361 Walnut Boulevard, Suite 140,
Brentwood, CA 94513 | 190 East 4th
Street, Pittsburg, CA 94565**

Zoom link: <https://cccounty-us.zoom.us/j/85291316025>

Join via audio: USA 888 278 0254

Meeting ID: 852 9131 6025 / **Conference code:** 832395

The public may attend this meeting in person at either above location. The public may also attend this meeting remotely via Zoom or call-in.

Agenda Items: Items may be taken out of order based on the business of the day and preference of the Committee.

Introductions

1. Public comment on any item under the jurisdiction of the Committee and not on this agenda (speakers may be limited to two (2) minutes).
2. RECEIVE and APPROVE the Record of Action for the June 12, 2025 meeting of the Legislation Committee, with any necessary corrections. [25-3046](#)

Attachments: [Draft Record of Action - June 12 2025](#)

3. RECEIVE a report on federal matters of interest to the County and PROVIDE direction and/or input as needed, including two recommended positions on recently-introduced federal legislation. [25-3047](#)

Attachments: [Attachment A - TRP Tip Sheet - July 23](#)
[Attachment B - FY26 Project Requests](#)
[Attachment C - Padilla - Visible Act Press Release](#)
[Attachment D - Padilla - Fix Our Forests Act](#)

4. RECEIVE a report on state matters of interest to the County in the FY25-26 legislative session, and PROVIDE direction to staff and the County's state advocates as needed, including on one recommended position on state legislation. [25-3048](#)

Attachments: [Attachment A - Tracked Bills](#)
[Attachment B - Bill Positions to Consider](#)

5. DISCUSS initial analysis of major impacts resulting from federal reconciliation (H.R. 1) and the state budget, and potential next steps for analysis and implementation, including reports from recent events/conferences and upcoming public meetings on these topics. [25-3049](#)

Attachments: [Attachment A - TRP Report Reconciliation - Local Government](#)
[Attachment B- TRP - Health Care Reconciliation](#)
[Attachment C - TRP Memo IRA Tax Credits OBBBA Changes](#)
[Attachment D - CSAC State Budget Bulletin](#)
[Attachment E - Major State and Federal Budget Impacts](#)

The next meeting is currently scheduled for August 8, 2025.

Adjourn

General Information

This meeting provides reasonable accommodations for persons with disabilities planning to attend a the meetings. Contact the staff person listed below at least 72 hours before the meeting. Any disclosable public records related to an open session item on a regular meeting agenda and distributed by the County to a majority of members of the Committee less than 96 hours prior to that meeting are available for public inspection at 1025 Escobar St., 4th Floor, Martinez, during normal business hours. Staff reports related to items on the agenda are also accessible on line at www.co.contra-costa.ca.us.

HOW TO PROVIDE PUBLIC COMMENT:

Persons who wish to address the Committee during public comment on matters within the jurisdiction of the Committee that are not on the agenda, or who wish to comment with respect to an item on the agenda, may comment in person, via Zoom, or via call-in. Those participating in person should offer comments when invited by the Committee Chair. Those participating via Zoom should indicate they wish to speak by using the “raise your hand” feature in the Zoom app. Those calling in should indicate they wish to speak by pushing *9 on their phones.

Public comments generally will be limited to two (2) minutes per speaker. In the interest of facilitating the business of the Board Committee, the total amount of time that a member of the public may use in addressing the Board Committee on all agenda items is 10 minutes. Your patience is appreciated.

Public comments may also be submitted to Committee staff before the meeting by email or by voicemail. Comments submitted by email or voicemail will be included in the record of the meeting but will not be read or played aloud during the meeting.

For Additional Information Contact:



CONTRA COSTA COUNTY

1025 ESCOBAR STREET
MARTINEZ, CA 94553

Staff Report

File #: 25-3046

Agenda Date: 7/28/2025

Agenda #: 2.

LEGISLATION COMMITTEE

Meeting Date: July 28, 2025

Subject: Record of Action for June 12, 2025 Legislation Committee Meeting

Submitted For: Legislation Committee

Department: County Administrator's Office

Referral Name: Meeting Minutes

Presenter: E. Struthers

Contact: (925) 655-2045

Referral History:

County Ordinance requires that each County body keep a record of its meetings. Though the record need not be verbatim, it must accurately reflect the agenda and the decisions made in the meetings.

Referral Update:

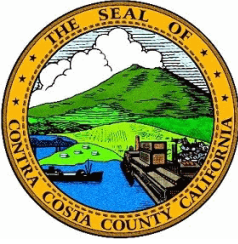
Attached for the Committee's consideration is the draft Record of Action (Meeting Minutes) for the Committee's June 12, 2025 meeting.

Recommendation(s)/Next Step(s):

Staff recommends approving the Record of Action for the June 12, 2025 meeting of the Legislation Committee, with any necessary corrections.

Fiscal Impact (if any):

None.



Meeting Minutes - Draft

CONTRA COSTA COUNTY Legislation Committee

Supervisor Diane Burgis, Chair
Supervisor Shanelle Scales-Preston, Vice Chair

Thursday, June 12, 2025

1:30 PM 1361 Walnut Boulevard, Suite 140, Brentwood,
CA 94513 | 190 East 4th Street, Pittsburg, CA
94565

Zoom link: <https://cccouny-us.zoom.us/j/85291316025>

Join via audio: USA 888 278 0254

Meeting ID: 852 9131 6025 / Conference code: 832395

The public may attend this meeting in person at either above location. The public may also attend this meeting remotely via Zoom or call-in.

Agenda Items: Items may be taken out of order based on the business of the day and preference of the Committee.

Introductions

The meeting was called to order by Chair Burgis. Items were taken out of order, beginning first with informational updates from the County's federal and state lobbyists. Vice Chair Scales-Preston and Chair Burgis were both in attendance in person from their respective office locations listed on the agenda.

1. Public comment on any item under the jurisdiction of the Committee and not on this agenda (speakers may be limited to two (2) minutes).

No public comments were made on this item.

2. RECEIVE and APPROVE the Record of Action for the April 30, 2025 meeting of the Legislation Committee, with any necessary corrections. [25-2362](#)

Attachments: [Draft Record of Action - April 30 2025](#)

The record of action for the April 30, 2025 meeting was approved as received.

No public comments were made on this item.

3. RECEIVE a report on federal matters of interest to the County and PROVIDE direction and/or input as needed. [25-2363](#)

Attachments: [Attachment A - TRP Report on Reconciliation - Local Government](#)
[Attachment B - TRP Tip Sheet - June 6](#)
[Attachment C - FY26 Project Requests](#)
[Attachment D - Direct Local Program & Funding Impacts of Exec. Actions](#)

Jim Davenport and Paul Schlesinger from Thorn Run Partners presented an update on federal legislative and budgetary matters of interest to the County via Zoom.

Topics discussed included:

- Federal Reconciliation (H.R. 1) and major proposed changes to Medicaid and the Supplemental Nutrition Assistance Program (SNAP) which would impact Contra Costa.
- Status of FY26 Appropriations and Congressionally Directed Spending (also called Community Project Funding or earmark) requests.

No public comments were made on this item.

4. RECEIVE a report on the State Budget and legislative or regulatory matters of interest to the County, and PROVIDE direction to staff and the County's state advocates as needed.

25-2364

Attachments:

[Attachment A - NM Quarterly Report](#)

[Attachment B - Tracked Bills](#)

[Attachment C - NM Regulatory File](#)

[Attachment D - Position Letters Sent](#)

[Attachment E - Budget Letters Sent](#)

Michelle Rubalcava and Geoff Neill from Nielsen Merksamer provided an update on state budgetary and legislative matters of interest.

Topics discussed included:

STATE BUDGET

- State budget process and the Governor's proposed "budget solutions".
- Funding for Homeless Housing, Assistance and Prevention (HHAP) Grant: no funding for a Round 7.
- Prop 36 Implementation funding: some/minimal funding provided for behavioral health and Probation.

STATE LEGISLATION

- First house of origin deadline has passed.
- Second house process moves much more quickly.

CAP & TRADE REAUTHORIZATION

- Cap and Trade reauthorization is moving forward. Whether or not the reauthorization occurs this summer/fall, it will no doubt be reauthorized.
- Cap and Trade is unlikely to have any major changes, aside from a name change or messaging. The most controversial areas anticipated are about the allocation of GHG funds.
- GHG funds have been floated to be used for three main things: High Speed Rail, continuing appropriations for affordable housing/sustainable communities, and policies that are less directly linked to GHGs (like safer drinking water, certain agriculture programs).
- GHG funds have already been directed towards the Governor's proposal to backfill \$500 million/year to CalFire, meaning the pool of funds available to allocate is shrinking.

5. REVIEW recommended positions on state legislation of interest, and provide direction to staff and state advocates.

25-2365

Attachments:

[Attachment A - Recommended Positions on Bills of Interest](#)

The Committee considered recommending positions on state legislation consistent with the County's adopted legislative platforms.

The Committee determined that one bill should be watched, without taking a position at this time:

- AB 793 (Schultz): Watch

The Committee affirmed the recommended positions on the following bills:

-AB 1337 (Ward): Oppose

-SB 777 (Richardson): Oppose

-AB 1153 (Bonta): Support

-AB 1426 (Kalra): Support

-AB 1430 (Bennett): Support

-SB 392 (Grayson): Support

-SB 696 (Alvarado-Gil): Support

Descriptions and links to the official bill language can be found in the attachment to this item.

6. DISCUSS upcoming Legislative Delegation Reception, currently scheduled for August 8, 2025, and provide direction to staff as needed on agenda topics, format, presenters, and other related logistics. [25-2366](#)

The upcoming special meeting of the Legislation Committee on August 8 will be an informational public meeting with a focus on educating and building relationships with the County's state/federal elected representatives.

The Committee provided direction to staff around the event structure and topics. Specifically, to focus on a few topics of the greatest need, and to share information that is new and actionable. The Committee also encouraged inviting Cities and partner agencies to participate.

7. CONSIDER making a recommendation to the Board of Supervisors to award state and federal advocacy contracts, and DIRECT staff on next steps. [25-2367](#)

Attachments:

[Attachment A - Current State Scope of Services](#)

[Attachment B - Current Federal Scope of Services](#)

The Committee recommended that the state and federal contract awards be advanced for consideration by the Board of Supervisors at the June 24, 2025 meeting.

The next meeting is currently scheduled for July 28, 2025 at 9:00 AM.

Adjourn

General Information

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For Additional Information Contact:

Emlyn Struthers

(925) 655-2045

Emlyn.Struthers@cao.cccounty.us



CONTRA COSTA COUNTY

1025 ESCOBAR STREET
MARTINEZ, CA 94553

Staff Report

File #: 25-3047

Agenda Date: 7/28/2025

Agenda #: 3.

LEGISLATION COMMITTEE

Meeting Date: July 28, 2025

Subject: Federal Legislative Updates of Interest to Contra Costa County

Submitted For: Legislation Committee

Department: County Administrator's Office

Referral Name: Federal Update

Presenter: P. Schlesinger and J. Davenport, Thorn Run Partners

Contact: E. Struthers (925) 655-2045

Referral History:

The Legislation Committee of the Board regularly receives reports on federal legislation and budget matters of interest to the County and provides direction and/or input to staff and the County's lobbyists, as necessary.

Referral Update:

The County's federal lobbyists will be present via Zoom to provide an update to the Committee.

Several informational updates of interest include:

- Recently enacted budget reconciliation bill, H.R. 1, and likely impacts to the County.
 - Note that impacts of H.R. 1 on Contra Costa will also be further discussed as a separate item at this meeting.
- Federal Appropriations updates, including FY26 Community Project Funding submissions and process.
- Impacts of federal Executive Branch funding freezes, pauses, and cancellations.

In addition to the enclosed attachments, Executive Orders and Litigation are increasingly relevant to funding and policy decisions.

- Thorn Run Partners produces an Executive Orders and Actions tracker.
- A popular tracker litigation is produced by Just Security, based at the New York University School of Law, available at:
<https://www.justsecurity.org/107087/tracker-litigation-legal-challenges-trump-administration/>.

As part of this item, the Committee is also asked to review two recommended positions on recently-introduced federal legislation:

- The Fix Our Forests Act (Senator Padilla): Would require federal immigration enforcement agents to display identification.
- The VISIBLE Act (Senator Padilla): Includes a comprehensive suite of policies to prevent and respond to forest fires.

Recommendation(s)/Next Step(s):

Receive the report and provide direction or input to the County's federal advocates, as needed.

Fiscal Impact (if any):

None.

The TRP Tip Sheet

July 23, 2025

Featuring a daily Capitol Hill update, news clips from our Washington insiders, and links to our trove of federal policy resources.

QUICK TAKES

- **THE LATEST ON FY 2026 GOVERNMENT FUNDING.** The next procedural vote on the appropriations vehicle is slated to occur later this afternoon after a successful vote yesterday.
- **HOUSE SET TO CLOSE OUT SUMMER WORK PERIOD.** The House will leave for the rest of the summer today amid turmoil tied to the release of the Epstein files.
- **TRUMP ADMINISTRATION RELEASES AI ACTION PLAN.** The [plan](#) identifies more than 90 AI-related policy actions that the administration plans to take in the coming weeks.
- **TRP CONGRESSIONAL RETIREMENT TRACKER.** Click [here](#) to view TRP's running list of lawmakers who are not seeking re-election next year.
- **EU READIES €100 BILLION NO-DEAL PLAN TO MATCH US 30% TARIFF.** The EU plans to hit the US with 30% tariffs on some €100 billion (\$117 billion) worth of goods in the event of no deal.

CAPITOL HILL UPDATE

— **THE LATEST ON FY 2026 GOVERNMENT FUNDING.** The Senate overwhelmingly cleared its first procedural hurdle on a legislative vehicle to carry fiscal year (FY) 2026 spending bills, but it remains to be seen if this bipartisan overture will last. Of note, the contents of this first "minibus" spending package are in flux. While it was assumed that the Senate's FY 2026 appropriations bills for Agriculture-FDA, Commerce-Justice-Science (CJS), Military Construction-VA, and Legislative Branch would be tacked onto the base text of the bill, it's possible that only the Senate's MilCon-VA bill gets added as talks within the upper chamber continue. Senate Majority Leader John Thune (R-SD) stated yesterday that he'd "like to make it a package of bills, and get as many bills going as we can." The next procedural vote on the appropriations vehicle is slated to occur later this afternoon following confirmation votes on the nominations of Arielle Roth to be Assistant Secretary of Commerce for Communications and Information, and John Hurley to be Under Secretary for Terrorism and Financial Crimes at the Treasury Department.

- **Meanwhile...** Fresh off an arduous "rescissions" process this month, the White House is reportedly gearing up for another round of funding clawbacks that will almost certainly stoke concerns about a government shutdown in September. The next rescissions request from the Office of Management and Budget (OMB) is expected to target funding for the Department of Education as the administration looks to ramp up its efforts to close the Department and shift its statutory responsibilities through other Cabinet-level Departments and agencies. As such, the bipartisan appropriations process is in serious jeopardy ahead of the Sept. 30 deadline if this next round of funding rescissions comes to fruition given strong opposition to OMB's requests from Democrats.

— **HOUSE SET TO CLOSE OUT SUMMER WORK PERIOD.** The House meets today for its last day of legislative business until September after the floor schedule for the week was upended amid tensions over the release of the Epstein files. Earlier this week, the House Rules Committee adjourned its meeting to consider a rule for five measures that were supposed to be taken up on the floor this week after Rules Committee Democrats demanded amendment votes tied to the release of the files. The Democratic minority was expected to continue to offer Epstein-related amendments whenever the Rules Committee proceedings continued, and Rules Committee Chair Virginia Foxx (R-NC) would not reconvene the panel under this current dynamic — one that could ultimately resurface again in the September work period depending on how House leadership decides to address the issue going forward.

WHAT WE'RE TRACKING

NEW TODAY...

— **TRUMP ADMINISTRATION RELEASES AI ACTION PLAN.** The Trump administration released its long-anticipated artificial intelligence (AI) [action plan](#) that identifies more than 90 federal policy actions that the administration plans to take in the coming weeks.

- Key pillars within the plan include: (1) accelerating AI innovation; (2) building domestic AI infrastructure; and (3) leading in international AI diplomacy and security.

— **EDUCATION DEPT. ANNOUNCES KEY AI ACTIONS.** The Department of Education [announced](#) a pair of AI actions, including: (1) a [Dear Colleague Letter](#) to grantees and future grantees on leveraging federal grant funds to improve education outcomes through AI; and (2) a new [supplemental grantmaking priority](#) on advancing AI in education.

— **HOUSE JUDICIARY PANEL EXAMINES FOREIGN ABUSE OF U.S. COURTS.** On July 22, House Judiciary Subcommittee on Courts, Intellectual Property, Artificial Intelligence, and the Internet held a hearing on foreign abuse of U.S. courts. Click [here](#) to read TRP's hearing summary.

— **HOUSE OVERSIGHT HOLDS SUBCOMMITTEE HEARING ON NUCLEAR.** On July 22, House Oversight Subcommittee on Economic Growth, Energy Policy, and Regulatory Affairs held a hearing on advancing nuclear energy. Click [here](#) to read TRP's hearing summary.

— **KEY TREASURY NOMINEE TESTIFIES BEFORE SENATE FINANCE.** On July 22, the Senate Finance Committee held a confirmation hearing to consider Jonathan McKernan to be Under Secretary of the Treasury for Domestic Finance. Click [here](#) to read TRP's hearing summary.

— **NTIA KICKS OFF RESTRUCTURED BROADBAND FUNDING PROGRAM.** The National Telecommunications and Information Administration (NTIA) [announced](#) that all 56 states and territories eligible to participate in the Broadband Equity, Access, and Deployment (BEAD) program have received approval to begin conducting the “Benefit of the Bargain” round of subgrantee selection. Click [here](#) to view NTIA's BEAD progress dashboard.

— **TRACKING FY 2026 APPROPRIATIONS ACTIVITY.** The House and Senate Appropriations Committees are set to resume marking up several pending FY 2026 spending bills this week. The schedule is as follows

- Today @ 10 AM EST: Full committee [markup](#) of House State-Foreign Operations
- Tomorrow @ 9:30 AM EST: Full committee [markup](#) of Senate Interior-Environment, Transportation-HUD
- Tomorrow @ 10 AM EST: Full committee [markup](#) of House Commerce-Justice-Science

RECENT DEVELOPMENTS...

— **TRP ANALYSES OF THE GOP RECONCILIATION PACKAGE.** With the One Big Beautiful Bill Act now signed into law, TRP published updated analyses of [education](#), [tax](#), [health care](#) and [energy](#) policies contained within the package, as well as provisions of interest to [state and local governments](#).

— **SENATE BANKING RELEASES DRAFT DIGITAL ASSET MARKET STRUCTURE BILL.** Following House passage of the Digital Asset Market Clarity Act, Senate Banking Committee Chair Tim Scott (R-SC), along with Sens. Cynthia Lummis (R-WY), Bill Hagerty (R-TN), and Bernie Moreno (R-OH), [introduced](#) a discussion draft of digital asset market structure legislation.

- The Banking Committee also issued request for information ([RFI](#)) for stakeholders to submit feedback on the [draft](#) and a range of questions centered around: (1) regulatory clarity and tailoring; (2) trading venues and market infrastructure; (3) preemption; and (4) investor protection, among others.
- Responses are due by Aug. 5, 2025.

— **GARBARINO TO LEAD HOUSE HOMELAND SECURITY COMMITTEE.** On July 21, the House Republican Steering Committee chose Rep. Andrew Garbarino (R-NY) to lead the House Homeland Security Committee, replacing former Rep. Mark Green (R-TN).

— **TRUMP DIRECTS REGULATORY RELIEF FOR CERTAIN INDUSTRIES.** President Trump issued a series of proclamations directing regulatory relief for certain entities in the industries of: (1) [sterile medical equipment](#); (2) [energy](#); (3) [chemical manufacturing](#); and (4) [iron ore processing](#).

— **SENATE HELP HOLDS HEARING ON BENEFITS FOR INDEPENDENT WORKERS.** On July 17, the Senate Committee on Health, Education, Labor and Pensions (HELP) held a hearing to examine portable benefits for independent contractors. Click [here](#) to read TRP's hearing summary.

— **E&C HEALTH SUBCOMMITTEE HOLDS LEGISLATIVE HEARING.** On July 16, the House Energy and Commerce (E&C) Health Subcommittee held a hearing to consider several

legislative proposals and reauthorizations pertaining to topics such as over-the-counter (OTC) drugs, workforce shortages, sunscreens, and health care accessibility in rural areas. Click [here](#) to read TRP's hearing summary.

— **CMS PROPOSES 2026 OPPS, ASC PAYMENT RATES.** The Centers for Medicare & Medicaid Services (CMS) recently proposed its Hospital Outpatient Prospective Payment System (OPPS) and Ambulatory Surgical Center (ASC) payment rates for calendar year (CY) 2026. Click [here](#) to read TRP's summary of the proposed rule.

— **SENATE JUDICIARY PANEL DISCUSSES AI COPYRIGHT ISSUE.** On July 16, the Senate Judiciary Subcommittee on Crime and Counterterrorism held a hearing on the use of copyrighted works to train artificial intelligence (AI) models. Click [here](#) to read TRP's hearing summary.

— **HOUSE JUDICIARY HOLDS HEARING ON AI CRIME.** On July 16, the House Judiciary Subcommittee on Crime and Government Surveillance held a hearing on criminal artificial intelligence (AI) activity. Click [here](#) to read TRP's hearing summary.

— **SENATE EPW HOLDS HEARING WITH STAKEHOLDERS ON HIGHWAY BILL REAUTHORIZATION.** On July 16, the Senate Committee on Environment and Public Works (EPW) held a hearing to receive stakeholder perspectives on the next surface transportation reauthorization bill. Click [here](#) to read TRP's hearing summary.

— **WAYS AND MEANS PANEL HOLDS HEARING ON DIGITAL ASSETS.** On July 16, the House Ways and Means Subcommittee on Oversight held a hearing on digital asset tax policy. Click [here](#) to read TRP's hearing summary.

WHAT WE'RE READING

Bloomberg: EU Readies €100 Billion No-Deal Plan to Match US 30% Tariff (\$)

The European Union plans to quickly hit the US with 30% tariffs on some €100 billion (\$117 billion) worth of goods in the event of no deal and if US President Donald Trump carries through with his threat to impose that rate on most of the bloc's exports after Aug. 1. As a part of a first wave of countermeasures, the EU would combine an already approved list of tariffs on €21 billion of US goods and a previously proposed list on an additional €72 billion of American products into one package, an European Commission spokesman said on Wednesday. The US exports, which include industrial goods such as Boeing Co. aircraft, US-made cars and bourbon whiskey, would face a levy that matches Trump's 30% threat, according to people familiar with the matter. The tariffs would be prepared to come into force next month but only if there is no deal and the US implements its levies after the August deadline, said the people who spoke on condition of anonymity to discuss private deliberations.

Reuters: Trump strikes tariff deal with Japan, auto stocks surge

U.S. President Donald Trump struck a trade deal with Japan that lowers tariffs on auto imports and spares Tokyo from punishing new levies on other goods in exchange for a \$550 billion package of U.S.-bound investment and loans. It is the most significant of a clutch of agreements that Trump has bagged since unveiling sweeping global levies in April, though like other deals, exact details remained unclear. Japan's auto sector, which accounts for more than a quarter of its U.S. exports, will see existing tariffs cut to 15% from levies totaling 27.5% previously. Duties that were due to come into effect on other Japanese goods from August 1 will also be cut to 15% from 25%. The announcement sent Japan's benchmark Nikkei stock index climbing almost 4% to its highest in a year, led by stocks in automakers with Toyota up more than 14% and Honda nearly 11%.

The Hill: Education Department pauses student loan forgiveness under IBR plan

The Education Department has paused student loan forgiveness under the Income-Based Repayment (IBR) plan without a clear timeline of when it might resume. The department argues any IBR forbearances were impacted by ongoing court action. ...The Department of Education is working through a court's injunction after the Biden administration's Saving on Valuable Education (SAVE) plan was ruled illegal. The agency argues that while the case did not impact forgiveness under IBR, what type of forbearances would count for loan discharges were. IBR allows individuals to make payments based on income and family size, receiving forgiveness after 20 to 25 years of consecutive payments. The department has encouraged individuals to join this plan as it shuts down the SAVE option. Those on SAVE will see interest accrual restart at the beginning of August and be kicked off the plan entirely in the following year.

E&E News: Hearing showcases lingering divisions on permitting (\$)

Lawmakers in both parties have been talking up the prospect of a bipartisan permitting reform deal this Congress, but if Tuesday's House Natural Resources hearing offered any clues, they have a long way to go. The four-hour hearing on the "permitting purgatory" featured familiar talking points from Republicans about how National Environmental Policy Act reviews have become "limitless and excruciating exercises." ...Democrats, in turn, countered that NEPA offers the "cornerstone of democracy and good governance." And they noted some permitting changes were already included in the 2023 debt ceiling negotiations.

E&E News: FERC approves grid operators' requests to fast-track projects (\$)

Federal energy regulators approved requests by grid operators for much of the central U.S. to fast-track certain power projects to stave off potential shortfalls as electricity demand booms. The Federal Energy Regulatory Commission issued unanimous orders Monday night conditionally authorizing requests from the Midcontinent Independent System Operator (MISO) and Southwest Power Pool (SPP). The approvals, which take effect in the coming days, follow FERC's rejection of a similar petition from MISO earlier this year. The orders follow a similar approval of an expedited interconnection process for the nation's largest power grid, PJM Interconnection. Like with PJM, the fast-track processes also face continued pushback from clean energy groups that said they favor new gas plants at the expense of renewable energy.

Thorn Run Partners | www.thornrun.com



Thorn Run Partners | 100 M St. SE STE 750 | Washington, DC 20003 US

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FY26 Community Project Funding Requests

Status as of July 24, 2025

Resubmitted Projects (Previously Submitted in FY25)	Status
Bay Point Library and Community Resource Center	Carried by Rep. Garamendi
EBCRS Improvements and Upgrades Project	Carried by Rep. DeSaulnier
Healing and Justice for Labor Trafficking Survivors Project	Carried by Rep. DeSaulnier
Knightesen Wetland Restoration Project*	Carried by Senator Schiff
Marsh Drive - Class I Separated Path Accommodation**	Carried by Rep. DeSaulnier
North Bailey Road Active Transportation Corridor	Carried by Rep. Garamendi
Organized Retail Theft Prevention and Prosecution Project	Carried by Rep. DeSaulnier
Pacifica Avenue Safe Routes to School	Carried by Rep. Garamendi
Treat Boulevard Corridor Improvements **	Carried by Rep. DeSaulnier

*Project not included in draft FY25 Appropriations bills.

**Amounts reduced through Committee process.

New Submitted Projects	Status
District 3 (Brentwood & East County) Youth Center Construction	Not advanced in Senate.
District 4 (Concord & Central County) Youth Center Programming/Start-Up***	Carried by Sen. Padilla & Sen. Schiff
District 5 (Northern Central County) Youth Center Programming/Start-Up ***	Carried by Sen. Padilla & Sen. Schiff
East County Veterans Memorial Building Improvements	Not advanced in House.
EBRCS Mobile Communications Sites	Carried by Sen. Padilla
Iron Horse Trail Double-Tracking in San Ramon	Not advanced in Senate.
West County Veterans Memorial Building Improvements	Not advanced in House.

*** Combined into one project for a total request of \$1.3 million.

 JULY 8, 2025

Padilla, Booker Unveil New Bill to Require Immigration Officers to Display Clear Identification

Padilla also leads 13 Democrats in [LETTER \(HTTPS://WWW.PADILLA.SENATE.GOV/WP-CONTENT/UPLOADS/PADILLA-LETTER-TO-ICE-RE-MASKS-AND-UNIFORMS.PDF\)](https://www.padilla.senate.gov/wp-content/uploads/padilla-letter-to-ice-re-masks-and-uniforms.pdf) to DHS requesting information about ICE's use of unidentified plainclothes agents

WASHINGTON, D.C. — Today, U.S. Senators Alex Padilla (D-Calif.), Ranking Member of the Senate Judiciary Immigration Subcommittee, and Cory Booker (D-N.J.) introduced new legislation to require immigration enforcement officers to display clearly visible identification during public-facing enforcement actions. The *Visible Identification Standards for Immigration-Based Law Enforcement (VISIBLE) Act of 2025* would strengthen oversight, transparency, and accountability for the Trump Administration's indiscriminate and alarming immigration enforcement tactics that have terrorized communities across California and the nation.

Under the Trump Administration's mass deportation agenda, civil immigration enforcement operations have increasingly involved Department of Homeland Security (DHS) officers engaging with the public while wearing unmarked tactical gear, concealing clothing, and face coverings that obscure both agency affiliation and personal identity. Without visible badges, names, or insignia, members of the public often have no way to confirm whether they are interacting with legitimate government officials.

This lack of transparency endangers public safety by causing widespread confusion and fear, especially in communities already subject to heightened immigration scrutiny. It also increases operational and safety risks for law enforcement personnel by creating an opportunity for immigration enforcement impersonators and compounding uncertainty in high-stress situations. Clear, consistent, visible identification helps reduce miscommunication during enforcement encounters, strengthens officer credibility, and improves public cooperation, all of which are vital to mission success. The *VISIBLE Act* would place a critical check on the government's power, ensuring basic transparency safeguards that protect public trust and legitimacy in immigration enforcement operations.

"When federal immigration agents show up and pull someone off the street in plainclothes with their face obscured and no visible identification, it only escalates tensions and spreads fear while shielding federal agents from basic accountability," **said Senator Padilla**. "Immigration agents should be required to display their agency and name or badge number — just like police and other local law enforcement agencies. The *VISIBLE Act's* commonsense requirements will restore transparency and ensure impersonators can't exploit the panic and confusion caused by unidentifiable federal immigration enforcement agents."

"For weeks, Americans have watched federal agents with no visible identification detain people off the streets and instill fear in communities across the country. Reports of individuals impersonating ICE officers have only increased the risk to public and officer safety. The lack of visible identification and

uniform standards for immigration enforcement officers has created confusion, stoked fear, and undermined public trust in law enforcement,” **said Senator Booker**. “The *VISIBLE* Act is a necessary response grounded in law enforcement best practices that will prohibit immigration enforcement officers from wearing face coverings and require them to display their name or badge number and the agency they represent. We must act to maintain trust between law enforcement and the communities they serve, and this legislation is a necessary step toward a more transparent, accountable, and safe immigration enforcement system.”

“This bill is an important step toward keeping immigration enforcement officers and all the people in America safe. Masked, plainclothes officers create an unreasonable risk of escalating violence and unnerve everyone who sees them,” **said Scott Shuchart, Former ICE and DHS (Office for Civil Rights and Civil Liberties) Official**. “As much as the cop in blues is a staple of American life, the masked bandit is a symbol of fear, and having government agents dressed like paramilitaries is un-American. Based on my experience in government, the *VISIBLE* Act makes good sense and would be straightforward for DHS officials to implement.”

The ongoing immigration enforcement operations in Los Angeles County by unidentified federal agents have **STOKED FEAR AND UNCERTAINTY ([HTTPS://WWW.LATIMES.COM/CALIFORNIA/STORY/2025-06-24/MASKED-IMMIGRATION-AGENTS-LOCAL-LAW-ENFORCEMENT-TENSION](https://www.latimes.com/california/story/2025-06-24/masked-immigration-agents-local-law-enforcement-tension))** throughout the region amid President Trump’s unprecedented escalation of militarized tactics. Recently **AT DODGER STADIUM ([HTTPS://WWW.LATIMES.COM/CALIFORNIA/STORY/2025-06-19/DHS-AGENTS-AT-DODGER-STADIUM-AREA](https://www.latimes.com/california/story/2025-06-19/dhs-agents-at-dodger-stadium-area))**, plainclothes immigration agents parked outside of the stadium lot without identifying themselves. In Bell, masked agents wearing fatigues **DETAINED AT LEAST THREE PEOPLE ([HTTPS://WWW.LATIMES.COM/CALIFORNIA/STORY/2025-06-20/IMMIGRATION-RAID-PROTESTERS-GATHER-IN-BELL-MAYWOOD](https://www.latimes.com/california/story/2025-06-20/immigration-raid-protesters-gather-in-bell-maywood))** at a car wash, and in Pasadena, an agent exited an unmarked vehicle in the middle of the road and **AIMED HIS PISTOL ([HTTPS://WWW.LATIMES.COM/CALIFORNIA/STORY/2025-06-24/MASKED-IMMIGRATION-AGENTS-LOCAL-LAW-ENFORCEMENT-TENSION](https://www.latimes.com/california/story/2025-06-24/masked-immigration-agents-local-law-enforcement-tension))** at a group of pedestrians without identifying himself. From June 6 to June 22, immigration enforcement agents — many lacking identifying information — **ARRESTED 1,618 IMMIGRANTS ([HTTPS://WWW.LATIMES.COM/POLITICS/STORY/2025-06-25/MORE-THAN-1-600-IMMIGRANTS-DETAINED-IN-SOUTHERN-CALIFORNIA-THIS-MONTH-DHS-SAYS](https://www.latimes.com/politics/story/2025-06-25/more-than-1-600-immigrants-detained-in-southern-california-this-month-dhs-says))** for deportation in Los Angeles County and surrounding areas.

Specifically, the *VISIBLE* Act:

- Requires immigration enforcement officers — including DHS personnel such as Customs and Border Protection (CBP) and Immigration and Customs Enforcement (ICE), federal agents detailed to immigration operations, and deputized state or local officers — to display clearly legible identification, including their agency name or initials and either their name or badge number, in a manner that remains visible and unobscured by tactical gear or clothing;
- Prohibits non-medical face coverings (such as masks or balaclavas) that obscure identity or facial visibility, with exceptions for environmental hazards or covert operations; and
- Requires DHS to establish disciplinary procedures for violations, report annually to Congress on compliance, and investigate complaints through its Office for Civil Rights and Civil Liberties.

The bill does *not* apply to covert or non-public facing operations, nor does it prohibit face coverings when necessary for officer safety. It also does *not* apply to enforcement actions conducted solely under criminal authority.

The *VISIBLE* Act is cosponsored by Senators Richard Blumenthal (D-Conn.), Tammy Duckworth (D-Ill.), Mazie Hirono (D-Hawaii), Andy Kim (D-N.J.), Patty Murray (D-Wash.), Adam Schiff (D-Calif.), Elissa Slotkin (D-Mich.), Tina Smith (D-Minn.), Gary Peters (D-Mich.), Chris Van Hollen (D-Md.), Peter Welch (D-Vt.), and Ron Wyden (D-Ore.).

The bill is endorsed by the ACLU and Public Counsel.

A one-pager on the bill is available [HERE \(HTTPS://WWW.PADILLA.SENATE.GOV/WP-CONTENT/UPLOADS/VISIBLE-ACT-ONE-PAGER-UPDATED.PDF\)](https://www.padilla.senate.gov/wp-content/uploads/visible-act-one-pager-updated.pdf).

Full text of the bill is available [HERE \(HTTPS://WWW.PADILLA.SENATE.GOV/WP-CONTENT/UPLOADS/VISIBLE-ACT-07.07.25.PDF\)](https://www.padilla.senate.gov/wp-content/uploads/visible-act-07.07.25.pdf).

Senator Padilla also led 13 Democratic Senators in a letter criticizing ICE for engaging in counterproductive, theatrical enforcement activities — including raids on **COURTHOUSES** ([HTTPS://SCOTTPETERS.HOUSE.GOV/CACHE/FILES/C/A/CAC50BD9-578A-4C40-A6CC-1F85E68CCEF5/F206D2238CC51DAA7A9B6A47D7F37B34E2C523B5E9BA05BE82BCDB5204A0EB68.LETTER-TO-SEC.-NOEM-REGARDING-ICE-ARRESTS-IN-SAN-DIEGO-COURTHOUSES-FINAL.PDF](https://scottpeters.house.gov/cache/files/c/a/cac50bd9-578a-4c40-a6cc-1f85e68ccef5/f206d2238cc51dAA7A9B6A47D7F37B34E2C523B5E9BA05BE82BCDB5204A0EB68.LETTER-TO-SEC.-NOEM-REGARDING-ICE-ARRESTS-IN-SAN-DIEGO-COURTHOUSES-FINAL.PDF)) and **RESTAURANTS** ([HTTPS://WWW.PADILLA.SENATE.GOV/NEWSROOM/PRESS-RELEASES/PADILLA-SCHIFF-PETERS-VARGAS-DEMAND-INVESTIGATION-INTO-SAN-DIEGO-ICE-RAID/](https://www.padilla.senate.gov/newsroom/press-releases/padilla-schiff-peters-vargas-demand-investigation-into-san-diego-ice-raid/)) — and requesting information from the agency on its mask and uniform policies. The Senators argued that these tactics are designed to sow fear and chaos and that allowing masked, plainclothes officers to engage in public raids creates situations where bad actors can commit crimes while claiming to be ICE agents.

In addition to Padilla, the letter was also signed by Senators Blumenthal, Booker, Dick Durbin (D-Ill.), Hirono, Mark Kelly (D-Ariz.), Murray, Jacky Rosen (D-Nev.), Schiff, Smith, Van Hollen, Raphael Warnock (D-Ga.), Welch, and Wyden.

Full text of the letter is available [HERE \(HTTPS://WWW.PADILLA.SENATE.GOV/WP-CONTENT/UPLOADS/PADILLA-LETTER-TO-ICE-RE-MASKS-AND-UNIFORMS.PDF\)](https://www.padilla.senate.gov/wp-content/uploads/padilla-letter-to-ice-re-masks-and-uniforms.pdf).

Senator Padilla has been outspoken in criticizing Trump's mass deportations and unprecedented militarization and escalation of tensions by deploying National Guard troops and active-duty U.S. Marines to respond to overwhelmingly peaceful protests in Los Angeles. Padilla recently **LED THE ENTIRE SENATE DEMOCRATIC CAUCUS** ([HTTPS://WWW.PADILLA.SENATE.GOV/NEWSROOM/PRESS-RELEASES/PADILLA-LEADS-ENTIRE-SENATE-DEMOCRATIC-CAUCUS-IN-DEMANDING-TRUMP-REMOVE-MILITARY-FORCES-FROM-LOS-ANGELES/](https://www.padilla.senate.gov/newsroom/press-releases/padilla-leads-entire-senate-democratic-caucus-in-demanding-trump-remove-military-forces-from-los-angeles/)) in demanding that President Trump immediately withdraw all military forces from Los Angeles and cease all threats to deploy the National Guard or active-duty servicemembers to American cities. Padilla spoke on the Senate floor following his **FORCIBLE REMOVAL** ([HTTPS://WWW.PADILLA.SENATE.GOV/NEWSROOM/PRESS-RELEASES/STATEMENT-ON-SEN-PADILLAS-FORCIBLE-REMOVAL-FROM-DHS-PRESS-CONFERENCE-IN-LOS-ANGELES/](https://www.padilla.senate.gov/newsroom/press-releases/statement-on-sen-padillas-forcible-removal-from-dhs-press-conference-in-los-angeles/)) from Secretary of Homeland Security Kristi Noem's press conference, where he was **THROWN TO THE GROUND AND HANDCUFFED** ([HTTPS://LFTS2.SENATE.GOV/W/5DDCIVZPACUM0XP8GWL8STH5IB9HPYKRMUXMSZ41DG91F](https://lfts2.senate.gov/w/5DDCIVZPACUM0XP8GWL8STH5IB9HPYKRMUXMSZ41DG91F)) after attempting to ask a question. He has spoken at a **SPOTLIGHT HEARING** ([HTTPS://WWW.PADILLA.SENATE.GOV/NEWSROOM/PRESS-RELEASES/WATCH-PADILLA-WARNS-AGAINST-TRUMPS-UNPRECEDENTED-OVERREACH-IN-LOS-ANGELES-CONDEMNS-ABUSE-OF-IMMIGRANTS-TO-ATTACK-OUR-CONSTITUTIONAL-ORDER/](https://www.padilla.senate.gov/newsroom/press-releases/watch-padilla-warns-against-trumps-unprecedented-overreach-in-los-angeles-condemns-abuse-of-immigrants-to-attack-our-constitutional-order/)) and on the **SENATE FLOOR** ([HTTPS://WWW.PADILLA.SENATE.GOV/NEWSROOM/PRESS-RELEASES/WATCH-PADILLA-CONDEMNS-TRUMP-FEDERALIZING-OF-NATIONAL-GUARD-AFTER-INDISCRIMINATE-ICE-RAIDS-IN-LOS-ANGELES/](https://www.padilla.senate.gov/newsroom/press-releases/watch-padilla-condemns-trump-federalizing-of-national-guard-after-indiscriminate-ice-raids-in-los-angeles/)) **MULTIPLE** ([HTTPS://WWW.PADILLA.SENATE.GOV/NEWSROOM/PRESS-RELEASES/WATCH-PADILLA-SLAM-TRUMPS-UNPRECEDENTED-MOBILIZATION-OF-MARINES-AND-NATIONAL-GUARD-IN-LA-PUSHES-FOR-PERMANENT-DACA-PROTECTIONS/](https://www.padilla.senate.gov/newsroom/press-releases/watch-padilla-slams-trumps-unprecedented-mobilization-of-marines-and-national-guard-in-la-pushes-for-permanent-daca-protections/)) **OTHER TIMES**

([HTTPS://WWW.PADILLA.SENATE.GOV/NEWSROOM/PRESS-RELEASES/WATCH-PADILLA-DELIVERS-FLOOR-SPEECH-FOLLOWING-HIS-FORCIBLE-REMOVAL-FROM-DHS-PRESS-CONFERENCE/](https://www.padilla.senate.gov/newsroom/press-releases/watch-padilla-delivers-floor-speech-following-his-forcible-removal-from-dhs-press-conference/)) to blast President Trump for manufacturing a crisis by launching indiscriminate ICE raids across Los Angeles and using that crisis to dramatically expand executive power. Padilla is also **LEADING LEGISLATION** **([HTTPS://WWW.PADILLA.SENATE.GOV/NEWSROOM/PRESS-RELEASES/PADILLA-SCHIFF-BLUMENTHAL-INTRODUCE-LEGISLATION-TO-LIMIT-UNCHECKED-PRESIDENTIAL-AUTHORITY-UNDER-THE-INSURRECTION-ACT/](https://www.padilla.senate.gov/newsroom/press-releases/padilla-schiff-blumenthal-introduce-legislation-to-limit-unchecked-presidential-authority-under-the-insurrection-act/))** to restrict the President's authority under the 217-year-old *Insurrection Act* and limit the domestic deployment of military troops for law enforcement purposes.

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Related Issues

IMMIGRATION ([HTTPS://WWW.PADILLA.SENATE.GOV/ABOUT/ISSUES/IMMIGRATION/](https://www.padilla.senate.gov/about/issues/immigration/))



Comprehensive, bipartisan legislation to advance watershed restoration, reduce wildfire risk, improve forest health, and streamline processes to boost land management efficiency.

U.S. Senators John Curtis, John Hickenlooper, Tim Sheehy, and Alex Padilla

THE PROBLEM:

The American West has long been prone to wildfires, but climate change, prolonged drought, and the buildup of dry fuels have increasingly intensified these fires and extended fire seasons. Wildfires today are more catastrophic—growing larger, spreading faster, and burning more land than ever before. Utah saw a total of 1,244 wildfire reports in 2024—a 54% increase from 2023 and the highest level the state has recorded since 2020. Nationwide, total acres burned rose from 2.7 million in 2023 to nearly 9 million in 2024, a 231% increase.

Forest health challenges are also increasing in frequency and severity due to climate stressors like drought and fire, and biological threats like invasive species—all of which the West is particularly vulnerable to. From 2001 to 2019, total forest area declined by 2.3%, while interior forest area decreased by up to 9.5%. The Intermountain region had the largest area losses, and the Pacific Southwest had the highest annual loss rates.

THE FIX OUR FORESTS ACT:

- **Establishes new and updated programs to reduce wildfire risks** across large, high-priority “firesheds,” with an emphasis on cross-boundary collaboration.
- **Streamlines and expands tools for forest health projects** (e.g., stewardship contracting, Good Neighbor Agreements) and provides faster processes for certain hazardous fuels treatments.
- **Creates a single interagency program to help communities in the wildland-urban interface** build and retrofit with wildfire-resistant measures, while simplifying and consolidating grant applications.
- **Expands research and demonstration initiatives**—including biochar projects and the Community Wildfire Defense Research Program—to test and deploy cutting-edge wildfire prevention, detection, and mitigation technologies.
- **Strengthens coordination efforts across agencies** through a new Wildfire Intelligence Center, which would streamline federal response and create a whole-of-government approach to combating wildfires.
- **Improves reforestation, seedling supply, and nursery capacity**; establishes new programs for white oak restoration; and clarifies policies to reduce wildfire-related litigation and expedite forest health treatments.



CONTRA COSTA COUNTY

1025 ESCOBAR STREET
MARTINEZ, CA 94553

Staff Report

File #: 25-3048

Agenda Date: 7/28/2025

Agenda #: 4.

LEGISLATION COMMITTEE

Meeting Date: July 28, 2025

Subject: State Legislative Updates of Interest to Contra Costa County

Submitted For: Legislation Committee

Department: County Administrator's Office

Referral Name: Federal Update

Presenter: M. Rubalcava and G. Neill, Nielsen Merksamer

Contact: E. Struthers (925) 655-2045

Referral History:

The Legislation Committee regularly receives reports on the State Budget and bills of interest to the County and provides direction and/or input to staff and the County's state lobbyists.

Referral Update:

The California State Legislature and Governor Newsom came to a budget agreement in the final days of June, just in time to meet the constitutional deadline. The budget includes a range of solutions to close a \$11.8 billion General Fund shortfall. The specific state budget impacts will be further discussed in a separate item.

Additionally, the Legislative Session is approaching the end of its first year. The Legislature recessed on July 19, and will return on August 18. After recess, several critical deadlines lay ahead before the last day for each house to pass bills occurs on September 12.

In advance of this deadline, the Committee is asked to consider a position in alignment with the County's adopted legislative platform on SB 356 (Durazo). SB 356 would strengthen local tools to ensure compliance with local ordinances regarding the collection and remittance of transient occupancy taxes (TOT) applicable to short-term rentals.

Recommendation(s)/Next Step(s):

RECEIVE the report and provide direction and/or input to County staff and the County's state advocates, as needed.

Fiscal Impact (if any):

None.

Amendments Requested

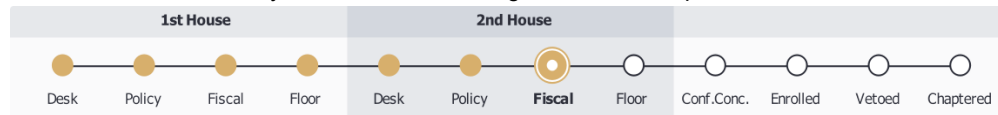
SB 72 (Caballero, D) The California Water Plan: long-term supply targets.

Current Text: 04/10/2025 - Amended [HTML](#) [PDF](#)

Introduced: 01/15/2025

Last Amended: 04/10/2025

Status: 07/16/2025 - July 16 set for first hearing. Placed on suspense file.



Location: 07/16/2025 - Assembly APPR. SUSPENSE FILE

Summary: Current law requires the Department of Water Resources to update every 5 years the plan for the orderly and coordinated control, protection, conservation, development, and use of the water resources of the state, which is known as "The California Water Plan." Current law requires the department to include a discussion of various strategies in the plan update, including, but not limited to, strategies relating to the development of new water storage facilities, water conservation, water recycling, desalination, conjunctive use, and water transfers, that may be pursued in order to meet the future needs of the state. Current law requires the department to establish an advisory committee to assist the department in updating the plan. This bill would revise and recast certain provisions regarding The California Water Plan to, among other things, require the department to expand the membership of the advisory committee to include, among others, tribes, labor, and environmental justice interests. The bill would require the department, as part of the 2033 update to the plan, to update the interim planning target for 2050, as provided. The bill would require the target to consider the identified and future water needs for all beneficial uses, including, but not limited to, urban uses, agricultural uses, tribal uses, and the environment, and ensure safe drinking water for all Californians, among other things. The bill would require the plan to include specified components, including a discussion of the estimated costs, benefits, and impacts of any project type or action that is recommended by the department within the plan that could help achieve the water supply targets. (Based on 04/10/2025 text)

Is Urgency: N

Is Fiscal: Y

Votes:

04/08/25 - **SEN. N.R. & W.** (Y:6 N:0 A:1) (P)

04/28/25 - **SEN. APPR.** (Y:7 N:0 A:0) (P)

05/23/25 - **SEN. APPR.** (Y:5 N:0 A:2) (P)

06/03/25 - **SEN. Senate 3rd Reading** (Y:37 N:0 A:3) (P)

07/01/25 - **ASM. W., P. & W.** (Y:12 N:0 A:1) (P)

Position: Amendments Requested

Neutral

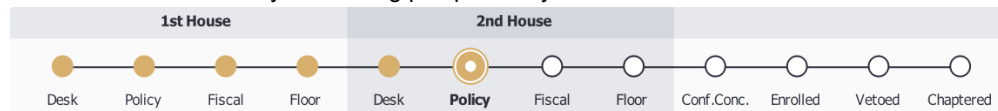
SB 16 (Blakespear, D) Ending Street Homelessness Act.

Current Text: 06/23/2025 - Amended [HTML](#) [PDF](#)

Introduced: 12/02/2024 (Spot bill)

Last Amended: 06/23/2025

Status: 07/10/2025 - July 16 hearing postponed by committee.



Location: 06/09/2025 - Assembly Housing and Community Development

Summary: Current law requires each city, county, and city and county to revise its housing element according to a specified schedule, as provided. Current law, for the 4th and subsequent revisions of the housing element, requires the Department of Housing and Community Development to determine the existing and projected need for housing for each region, and requires the appropriate council of governments, or the department for cities and counties without a council of governments, to adopt a final regional housing need plan that allocates a share of the regional housing need to each city, county, or city and county, as provided. At least 2 years before a scheduled revision of the housing element, as specified, existing law requires each council of governments, or delegate subregion as applicable, to develop, in consultation with the department, a proposed methodology for distributing

the existing and projected regional housing need to jurisdictions, as specified. Current law requires that the final allocation plan ensure that the total regional housing need, by income category, determined as specified, is maintained, and that each jurisdiction in the region receive an allocation of units for low- and very low income households. For the 7th and subsequent revisions of the housing element, current law also requires that the allocation to each region include an allocation of units for acutely low and extremely low income households. This bill, until January 1, 2032, would require the council of governments, or delegate subregion, as applicable, in developing the proposed allocation methodology that allocates each jurisdiction's share of the regional housing need for acutely low income housing, to count any newly constructed interim housing, as specified, as meeting the needs of acutely low income households. By imposing additional duties on local governments, this bill would impose a state-mandated local program. (Based on 06/23/2025 text)

Is Urgency: N

Is Fiscal: Y

Votes:

04/22/25 - **SEN. HOUSING** (Y:10 N:0 A:1) (P)

05/12/25 - **SEN. APPR.** (Y:7 N:0 A:0) (P)

05/23/25 - **SEN. APPR.** (Y:5 N:0 A:2) (P)

06/03/25 - **SEN. Senate 3rd Reading** (Y:29 N:2 A:9) (P)

Position: Neutral

Oppose

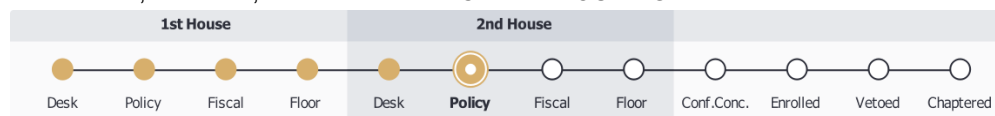
AB 306 (Schultz, D) Building regulations: state building standards.

Current Text: 06/23/2025 - Amended **HTML PDF**

Introduced: 01/23/2025

Last Amended: 06/23/2025

Status: 06/23/2025 - From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on HOUSING.



Location: 04/23/2025 - Senate Housing

Summary: Current law establishes the Department of Housing and Community Development (department) in the Business, Consumer Services, and Housing Agency. The California Building Standards Law establishes the California Building Standards Commission (commission) within the Department of General Services. Current law requires the commission to approve and adopt building standards and to codify those standards in the California Building Standards Code (code). The State Housing Law establishes statewide construction and occupancy standards for buildings used for human habitation. Current law requires, among other things, the building standards adopted and submitted by the department for approval by the commission, as specified, to be adopted by reference, with certain exceptions. Current law authorizes any city or county to make changes in those building standards that are published in the code, including to green building standards. Current law requires the governing body of a city or county, before making modifications or changes to those green building standards, to make an express finding that those modifications or changes are reasonably necessary because of local climatic, geological, or topographical conditions. This bill would, from October 1, 2025, to June 1, 2031, inclusive, prohibit a city or county from making changes that are applicable to residential units to the above-described building standards unless a certain condition is met, including that the commission deems those changes or modifications necessary as emergency standards to protect health and safety. (Based on 06/23/2025 text)

Is Urgency: Y

Is Fiscal: Y

Votes:

03/12/25 - **ASM. H. & C.D.** (Y:12 N:0 A:0) (P)

03/19/25 - **ASM. APPR.** (Y:14 N:0 A:1) (P)

04/01/25 - **ASM. THIRD READING** (Y:71 N:0 A:9) (P)

Position: Oppose

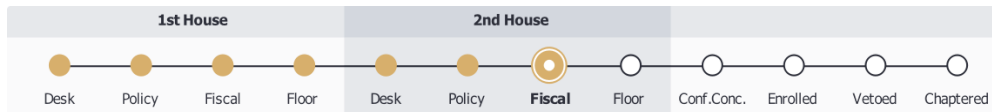
AB 339 (Ortega, D) Local public employee organizations: notice requirements.

Current Text: 07/15/2025 - Amended **HTML PDF**

Introduced: 01/28/2025

Last Amended: 07/15/2025

Status: 07/15/2025 - Read second time and amended. Re-referred to Com. on APPR.



Location: 07/09/2025 - Senate Appropriations

Summary: The Meyers-Milias-Brown Act contains various provisions that govern collective bargaining of local represented employees and delegates jurisdiction to the Public Employment Relations Board to resolve disputes and enforce the statutory duties and rights of local public agency employers and employees. Current law requires the governing body of a public agency to meet and confer in good faith regarding wages, hours, and other terms and conditions of employment with representatives of recognized employee organizations. Current law requires the governing body of a public agency, and boards and commissions designated by law or by the governing body, to give reasonable written notice, except in cases of emergency, as specified, to each recognized employee organization affected of any ordinance, rule, resolution, or regulation directly relating to matters within the scope of representation proposed to be adopted by the governing body or the designated boards and commissions. This bill would require the governing body of a public agency, and boards and commissions designated by law or by the governing body of a public agency, to give the recognized employee organization no less than 60 days' written notice before issuing a request for proposals, request for quotes, or renewing or extending an existing contract to perform services that are within the scope of work of the job classifications represented by the recognized employee organization, subject to certain exceptions. The bill would require the notice to include specified information, including the anticipated duration of the contract. The bill would also require the public agency, if an emergency or other exigent circumstance prevents the public agency from providing the written notice described above, to provide as much advance notice as is practicable under the circumstances. (Based on 07/15/2025 text)

Is Urgency: N

Is Fiscal: Y

Votes:

03/19/25 - **ASM. P.E. & R.** (Y:4 N:0 A:3) (P)

05/23/25 - **ASM. APPR.** (Y:11 N:2 A:2) (P)

06/02/25 - **ASM. THIRD READING** (Y:51 N:11 A:17) (P)

07/09/25 - **SEN. P.E. & R.** (Y:4 N:1 A:0) (P)

Position: Oppose

AB 470

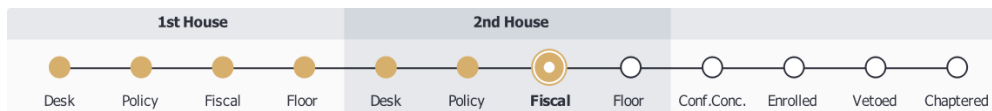
(McKinnor, D) Telephone corporations: carriers of last resort.

Current Text: 07/17/2025 - Amended [HTML](#) [PDF](#)

Introduced: 02/06/2025 (Spot bill)

Last Amended: 07/17/2025

Status: 07/17/2025 - From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on JUD. Withdrawn from committee. Re-referred to Com. on APPR.



Location: 07/17/2025 - Senate Appropriations

Summary: Current law vests the Public Utilities Commission with regulatory authority over public utilities, including telephone corporations. Current law authorizes the commission to fix just and reasonable rates and charges for public utilities. Current law requires the commission, on or before February 1, 1995, to issue an order initiating an investigation and open proceeding to examine the current and future definitions of universal service in telecommunications. Pursuant to that provision, the commission issued a decision involving carriers of last resort, including the withdrawal process for carriers of last resort, defined as a carrier who provides local exchange service and stands ready to provide basic service to any customer requesting basic service within a specified area. This bill would require the commission, in consultation with the Office of Emergency Services, to adopt a process through which a telephone corporation acting as a carrier of last resort is authorized to seek relief from their carrier of last resort obligations in a census block where the United States Census Bureau reports no population and where the telephone corporation provides no basic exchange service to any customer address located within the area, and in a census block that is well-served, as defined. The bill would require the commission, on or before December 15, 2026, to adopt a map designating well-served areas. The bill would require that the process include specified notice and challenge requirements. The bill would require a telephone corporation to meet certain requirements during specified time periods following the date that amended status is granted by the commission, as provided. (Based on 07/17/2025 text)

Is Urgency: N

Is Fiscal: Y

Votes:

04/30/25 - **ASM. C. & C.** (Y:8 N:1 A:1) (P)

05/23/25 - **ASM. APPR.** (Y:12 N:0 A:3) (P)
06/23/25 - **ASM. C. & C.** (Y:7 N:0 A:2) (P)
06/27/25 - **ASM. THIRD READING** (Y:58 N:2 A:19) (P)
07/15/25 - **SEN. E. U., & C.** (Y:9 N:1 A:7) (P)

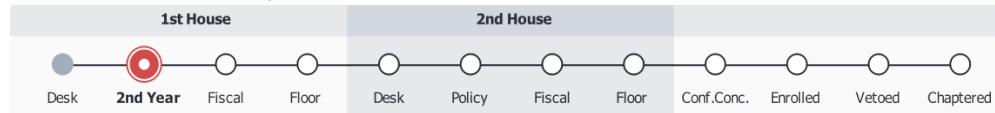
Position: Oppose

AB 933 (**Ávila Fariás, D**) **Organized residential camps: organized day camps.**

Current Text: 02/19/2025 - Introduced **HTML PDF**

Introduced: 02/19/2025

Status: 05/01/2025 - Failed Deadline pursuant to Rule 61(a)(2). (Last location was HEALTH on 3/10/2025)(May be acted upon Jan 2026)



Location: 05/01/2025 - Assembly 2 YEAR

Summary: Current law requires the State Public Health Officer to establish rules and regulations establishing minimum standards for organized camps, and regulations governing the operation of organized camps that they determine are necessary to protect the health and safety of the campers. Current law requires the State Fire Marshal to adopt minimum fire safety regulations for organized camps in accordance with specified law. Existing law establishes specified standards for the operation, regulation, and enforcement of organized camps. Current law adopts certain definitions for the purposes of these provisions, including a definition for “organized camp” and “camper.” Current law prohibits an organized camp from operating unless the minimum standards for organized camps prescribed in the building standards published in the State Building Standards Code relating to organized camps, and in other rules and regulations adopted by the Director of Public Health and the State Fire Marshal, are satisfied. Current law makes a violation of these provisions a misdemeanor. This bill would rename “organized camp” to “organized residential camp” and make conforming changes. The bill would define “organized day camp” to mean a site where the primary purpose is to provide a group experience with social, spiritual, educational, or recreational objectives, that has programs and facilities attended by 5 or more children 3 to 17 years of age, inclusive, and that operates for more than 3 hours per day for at least 5 days during any 12-month period. The bill would define “living experience” to mean an overnight camp for 5 days or more. (Based on 02/19/2025 text)

Is Urgency: N

Is Fiscal: Y

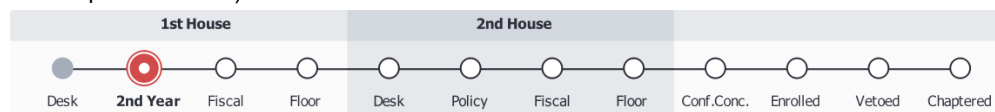
Position: Oppose

AB 946 (**Bryan, D**) **Chief probation officer: designee.**

Current Text: 02/20/2025 - Introduced **HTML PDF**

Introduced: 02/20/2025

Status: 05/08/2025 - Failed Deadline pursuant to Rule 61(a)(3). (Last location was PUB. S. on 3/10/2025)(May be acted upon Jan 2026)



Location: 05/08/2025 - Assembly 2 YEAR

Summary: Current law requires every county to appoint a chief probation officer, and requires the chief probation officer to be nominated, as specified. Current law requires the chief probation officer to perform the duties and discharge the obligations imposed on the office by law or by order of the superior court, including, among other things, the operation of juvenile halls pursuant to specified provisions. This bill would create an exception to those provisions by requiring, in a county with a population of at least 3,500,000 people, the chief probation officer, or a designee who is appointed by the county board of supervisors and who has jurisdiction over youth development, to perform those duties and discharge those obligations. (Based on 02/20/2025 text)

Is Urgency: N

Is Fiscal: N

Position: Oppose

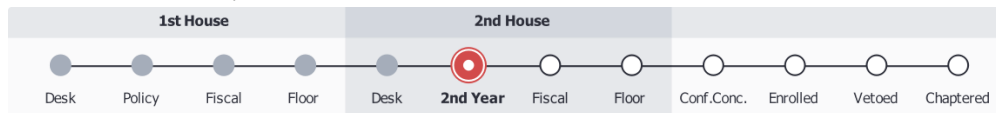
AB 1337 (**Ward, D**) **Information Practices Act of 1977.**

Current Text: 05/23/2025 - Amended **HTML PDF**

Introduced: 02/21/2025

Last Amended: 05/23/2025

Status: 07/17/2025 - Failed Deadline pursuant to Rule 61(a)(10). (Last location was JUD. on 6/11/2025)(May be acted upon Jan 2026)



Location: 07/17/2025 - Senate 2 YEAR

Summary: Existing law, the Information Practices Act of 1977, prescribes a set of requirements, prohibitions, and remedies applicable to agencies, as defined, with regard to their collection, storage, and disclosure of personal information, as defined. Existing law exempts from the provisions of the act counties, cities, any city and county, school districts, municipal corporations, districts, political subdivisions, and other local public agencies, as specified. This bill would recast those provisions to, among other things, remove that exemption for local agencies, and would revise and expand the definition of "personal information." The bill would make other technical, nonsubstantive, and conforming changes. Because the bill would expand the duties of local officials, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws. (Based on 05/23/2025 text)

Is Urgency: N

Is Fiscal: Y

Votes:

04/01/25 - **ASM. P. & C.P.** (Y:12 N:0 A:3) (P)

05/23/25 - **ASM. APPR.** (Y:11 N:1 A:3) (P)

06/02/25 - **ASM. THIRD READING** (Y:64 N:0 A:15) (P)

07/15/25 - **SEN. JUD.** (Y:13 N:0 A:0) (P)

07/15/25 - **SEN. JUD.** (Y:6 N:2 A:5) (F)

Position: Oppose

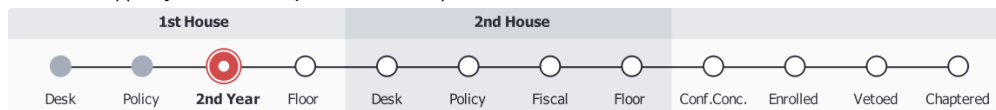
AB 1383 (McKinnor, D) Public employees' retirement benefits.

Current Text: 04/11/2025 - Amended [HTML](#) [PDF](#)

Introduced: 02/21/2025

Last Amended: 04/11/2025

Status: 05/23/2025 - Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. SUSPENSE FILE on 5/14/2025)(May be acted upon Jan 2026)



Location: 05/23/2025 - Assembly 2 YEAR

Summary: Current law creates the Public Employees' Retirement Fund, which is continuously appropriated for purposes of the Public Employees' Retirement System (PERS), including depositing employer and employee contributions. Under the California Constitution, assets of a public pension or retirement system are trust funds. The California Public Employees' Pension Reform Act of 2013 (PEPRA) establishes a variety of requirements and restrictions on public employers offering defined benefit pension plans. In this regard, PEPRA restricts the amount of compensation that may be applied for purposes of calculating a defined pension benefit for a new member, as defined, by restricting it to specified percentages of the contribution and benefit base under a specified federal law with respect to old age, survivors, and disability insurance benefits. This bill, on and after January 1, 2026, would require a retirement system to adjust pensionable compensation limits to be consistent with a defined benefit limitation established and annually adjusted under federal law with respect to tax exempt qualified trusts. (Based on 04/11/2025 text)

Is Urgency: N

Is Fiscal: Y

Votes:

04/23/25 - **ASM. P.E. & R.** (Y:7 N:0 A:0) (P)

Position: Oppose

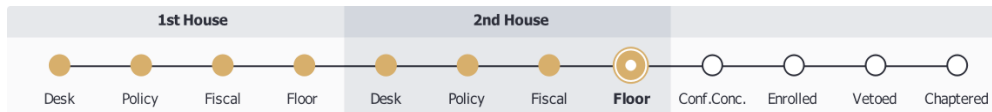
SB 357 (Menjivar, D) Juveniles: delinquency.

Current Text: 07/17/2025 - Amended [HTML](#) [PDF](#)

Introduced: 02/12/2025

Last Amended: 07/17/2025

Status: 07/17/2025 - CORRECTED: Read second time and amended. Ordered to second reading.



Location: 07/17/2025 - Assembly SECOND READING

Summary: Current law subjects a minor between 12 and 17 years of age, who violates any federal, state, or local law or ordinance, and a minor under 12 years of age who is alleged to have committed specified serious offenses, to the jurisdiction of the juvenile court, which may adjudge the minor to be a ward of the court. Current law also establishes the transition jurisdiction of the juvenile court and subjects certain minors who are older than 17 years and 5 months of age and younger than 18 years of age, and certain nonminors who are older than 18 years of age and less than 21 years of age, who were wards of the juvenile court and in foster care placement to that jurisdiction. Current law assigns various responsibilities relating to these individuals to the probation officer, including, among others, the responsibility to supervise minors placed on probation. Current law requires every county to appoint a chief probation officer and requires the chief probation officer to perform the duties and discharge the obligations imposed on the office by law or by order of the superior court, including, among other things, community supervision of the minors described above and the operation of juvenile halls, camps, and ranches, pursuant to specified provisions. This bill would authorize the board of supervisors in a county with a population of at least 6,000,000 people to, except as specified, delegate to a county official who has jurisdiction over youth development, diversion, and reentry all or part of the duties and authorities concerning these individuals, as specified. (Based on 07/17/2025 text)

Is Urgency: N

Is Fiscal: N

Votes:

04/29/25 - **SEN. PUB. S.** (Y:4 N:1 A:1) (P)

06/04/25 - **SEN. Senate 3rd Reading** (Y:25 N:6 A:9) (P)

07/15/25 - **ASM. PUB. S.** (Y:5 N:1 A:3) (P)

Position: Oppose

SB 777

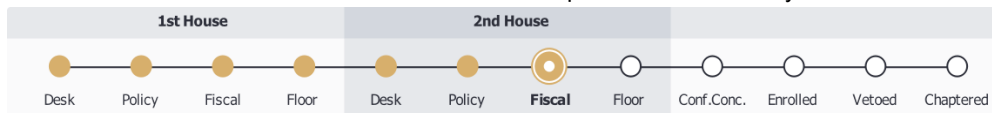
(Richardson, D) Abandoned cemeteries: report.

Current Text: 07/09/2025 - Amended **HTML** **PDF**

Introduced: 02/21/2025

Last Amended: 07/09/2025

Status: 07/10/2025 - Re-referred to Com. on APPR. pursuant to Assembly Rule 96.



Location: 07/10/2025 - Assembly Appropriations

Summary: Current law requires the Cemetery and Funeral Bureau, on or before July 1, 2027, to convene a workgroup composed of representatives from the cemetery, county government, and other interested stakeholders to discuss options for ensuring continued care, maintenance, and embellishment of abandoned cemeteries, including the possibility of requiring counties to assume responsibility for abandoned cemeteries. Current law requires the bureau to submit a report to the Legislature summarizing the workgroup's discussions and its recommendations by January 1, 2028. Current law repeals those provisions on January 1, 2029. This bill would instead require the bureau to convene the workgroup on or before March 1, 2026, would revise the list of representatives required to be included in the workgroup, and would instead require the workgroup to discuss the possibility of requiring counties to assume responsibility for maintenance, irrigation, public works, and burial services for abandoned cemeteries. The bill would require the board to submit the report on June 1, 2026, and would repeal those provisions on January 1, 2027. (Based on 07/09/2025 text)

Is Urgency: N

Is Fiscal: Y

Votes:

04/02/25 - **SEN. L. GOV.** (Y:6 N:1 A:0) (P)

04/28/25 - **SEN. APPR.** (Y:7 N:0 A:0) (P)

05/23/25 - **SEN. APPR.** (Y:4 N:2 A:1) (P)

05/23/25 - **SEN. APPR.** (Y:6 N:0 A:1) (P)

05/23/25 - **SEN. APPR.** (Y:5 N:1 A:1) (P)

06/04/25 - **SEN. Senate 3rd Reading** (Y:38 N:0 A:2) (P)

07/08/25 - **ASM. B.&P.** (Y:17 N:0 A:1) (P)

Position: Oppose

Oppose Unless Amended

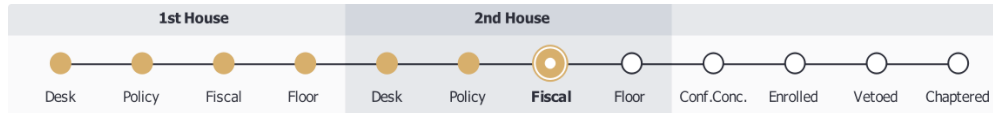
SB 606 (**Becker, D**) Homeless Housing, Assistance, and Prevention program: reporting requirements: functional zero unsheltered.

Current Text: 07/17/2025 - Amended [HTML](#) [PDF](#)

Introduced: 02/20/2025

Last Amended: 07/17/2025

Status: 07/17/2025 - Assembly Rule 63 suspended. From committee: Do pass as amended and re-refer to Com. on APPR. (Ayes 7. Noes 0.) (July 15). Read second time and amended. Re-referred to Com. on APPR.



Location: 07/15/2025 - Assembly Appropriations

Summary: This bill would enact the Functional Zero Act, which, beginning with the next round of Homeless Housing, Assistance, and Prevention (HHAP) program applications, or when updates to the regionally coordinated homeless action plan are next required to be submitted, would require an applicant to provide information relating to its efforts to address homelessness in its jurisdiction, including an assessment of what would be required for the applicant to achieve and maintain both functional zero, which the bill would define as a milestone indicating a community has measurably solved homelessness, as specified, and functional zero unsheltered, which the bill would define as a necessary milestone in the effort to achieve functional zero indicating that sufficient housing options of all types to accommodate a jurisdiction's unsheltered, chronically homeless population based on its most recent homeless point-in-time count. The bill would require, as part of the assessment of progress toward functional zero, applicants to include, at a minimum, an analysis of the number of housing units of all types needed to achieve functional zero in a jurisdiction, and as part of the assessment of progress toward functional zero unsheltered, a financial model assessing the needs for investment in prescribed areas and further analysis of, among other things, funding programs that provide housing or services to persons experiencing homelessness. (Based on 07/17/2025 text)

Is Urgency: N

Is Fiscal: Y

Votes:

04/21/25 - **SEN. HUM. S.** (Y:5 N:0 A:0) (P)

04/29/25 - **SEN. HOUSING** (Y:11 N:0 A:0) (P)

05/12/25 - **SEN. APPR.** (Y:7 N:0 A:0) (P)

05/23/25 - **SEN. APPR.** (Y:6 N:0 A:1) (P)

06/02/25 - **SEN. Senate 3rd Reading** (Y:38 N:0 A:2) (P)

07/02/25 - **ASM. H. & C.D.** (Y:10 N:0 A:2) (P)

07/15/25 - **ASM. HUM. S.** (Y:7 N:0 A:0) (P)

Position: Oppose Unless Amended

Support

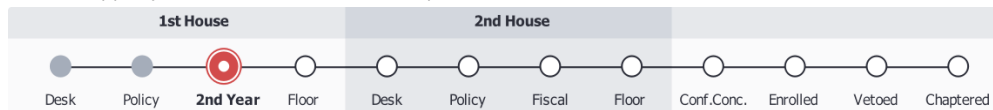
AB 274 (**Ransom, D**) Abandoned and derelict vessels: inventory.

Current Text: 03/26/2025 - Amended [HTML](#) [PDF](#)

Introduced: 01/21/2025

Last Amended: 03/26/2025

Status: 05/23/2025 - Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. SUSPENSE FILE on 4/9/2025)(May be acted upon Jan 2026)



Location: 05/23/2025 - Assembly 2 YEAR

Summary: Current law establishes within the Natural Resources Agency, the State Lands Commission consisting of the Controller, the Lieutenant Governor, and the Director of Finance. Current law vests in the commission with exclusive jurisdiction over all ungranted tidelands and submerged lands owned by the state, and of the beds of navigable rivers, streams, lakes, bays, estuaries, inlets, and straits, including tidelands and submerged lands. Current law authorizes the commission to take immediate action to remove from areas under its jurisdiction a vessel that is left unattended and is moored, docked, beached, or made fast to land in a position as to obstruct the normal movement of traffic or in a condition as to create a hazard to navigation, other vessels using a waterway, or the property of another. Current law requires the commission, by July 1, 2019, and in consultation with other relevant state and local agencies directly involved in the removal of abandoned vessels, to develop a plan for the removal of abandoned commercial vessels. This bill would require the commission, on or before January 1, 2027,

to create an inventory of all abandoned and derelict commercial and recreational vessels on or in waters within the Sacramento-San Joaquin Delta, including commercially navigable waters, as specified. (Based on 03/26/2025 text)

Is Urgency: N

Is Fiscal: Y

Votes:

03/24/25 - **ASM. NAT. RES.** (Y:13 N:0 A:1) (P)

Position: Support

AB 346

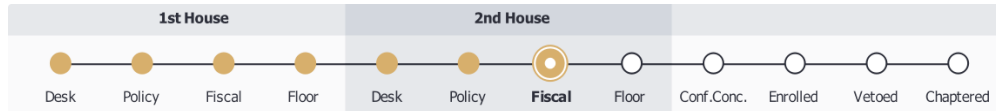
(Nguyen, D) In-home supportive services: licensed health care professional certification.

Current Text: 07/09/2025 - Amended **HTML PDF**

Introduced: 01/29/2025

Last Amended: 07/09/2025

Status: 07/14/2025 - In committee: Referred to APPR. suspense file.



Location: 07/14/2025 - Senate APPR. SUSPENSE FILE

Summary: Current law defines supportive services for purposes of the county-administered In-Home Supportive Services (IHSS) program to include those necessary paramedical services that are ordered by a licensed health care professional, which persons could provide for themselves, but for their functional limitations. Current law requires an applicant for, or recipient of, in-home supportive services, as a condition of receiving these services, to obtain a certification from a licensed health care professional declaring that the applicant or recipient is unable to perform some activities of daily living independently, and that without services to assist the applicant or recipient with activities of daily living, the applicant or recipient is at risk of placement in out-of-home care, and defines a licensed health care professional for this purpose to mean an individual licensed in California by the appropriate California regulatory agency, acting within the scope of their license or certificate as defined in the Business and Professions Code. This bill would use the above-described definition of "licensed health care professional" for purposes of the provisions relating to paramedical services, and would, for purposes of the certification requirement, add to the above-described definition of "licensed health care professional" that the licensed individual has primary responsibilities to diagnose or provide treatment and care for physical or mental impairments that cause or contribute to an individual's functional limitations. (Based on 07/09/2025 text)

Is Urgency: N

Is Fiscal: Y

Votes:

04/29/25 - **ASM. HUM. S.** (Y:7 N:0 A:0) (P)

05/23/25 - **ASM. APPR.** (Y:11 N:0 A:4) (P)

06/03/25 - **ASM. THIRD READING** (Y:76 N:0 A:3) (P)

06/30/25 - **SEN. HUM. S.** (Y:5 N:0 A:0) (P)

07/14/25 - **SEN. APPR.** (Y:7 N:0 A:0) (P)

Position: Support

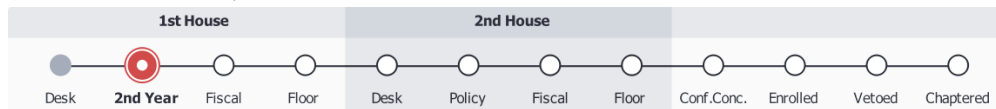
AB 871

(Stefani, D) Mandated reporters of suspected financial abuse of an elder or dependent adult.

Current Text: 02/19/2025 - Introduced **HTML PDF**

Introduced: 02/19/2025

Status: 05/08/2025 - Failed Deadline pursuant to Rule 61(a)(3). (Last location was B. & F. on 3/28/2025)(May be acted upon Jan 2026)



Location: 05/08/2025 - Assembly 2 YEAR

Summary: The Elder Abuse and Dependent Adult Civil Protection Act establishes procedures for the reporting, investigation, and prosecution of elder and dependent adult abuse. Current law requires a mandated reporter of suspected financial abuse of an elder or dependent adult, as defined, to report financial abuse in a specified manner. Current law deems specified persons to be mandated reporters of suspected financial abuse of an elder or dependent adult, including, among others, all officers and employees of a financial institution. A mandated reporter who fails to report financial abuse of an elder or dependent adult is liable for civil penalties, as specified. This bill would require a financial institution to provide annual training to its mandated reporters on how to report suspected financial abuse of an elder or a dependent adult to both local and federal authorities, as specified. The

bill would require a financial institution to share information on reporting mechanisms with clients immediately upon discovering potential financial abuse and would require the financial institution to encourage clients to submit complaints within 24 to 48 hours. (Based on 02/19/2025 text)

Is Urgency: N

Is Fiscal: N

Position: Support

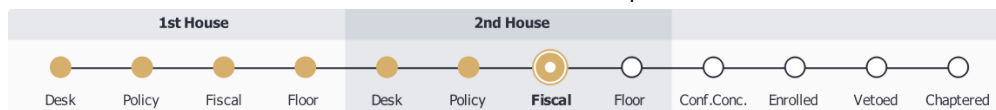
AB 896 **(Elhawary, D) Foster care: placement transition planning.**

Current Text: 03/17/2025 - Amended [HTML](#) [PDF](#)

Introduced: 02/19/2025

Last Amended: 03/17/2025

Status: 06/30/2025 - In committee: Referred to APPR. suspense file.



Location: 06/30/2025 - Senate APPR. SUSPENSE FILE

Summary: Current law requires, prior to making a change in the placement of a dependent child, a social worker or placing agency to develop and implement a placement preservation strategy to preserve the dependent child's placement. This bill would, among other things, require each county child welfare agency to adopt a placement transition planning policy for supporting foster children who are transitioning between placement settings and who are transitioning from foster care to reunification, and requires that the policy ensures that foster children are provided the opportunity to provide input on their placement transition and provides guidance to social workers for obtaining input and sharing information in placement transition planning. The bill would require, if a child's placement cannot be preserved, the social worker to ensure that there is appropriate placement transition planning, consistent with the county's adopted policy. The bill would require the State Department of Social Services to issue guidance to county child welfare agencies to describe best practices and strategies for successful placement transition planning, and would require county child welfare agencies to submit to the department its placement transition planning policy, as specified. (Based on 03/17/2025 text)

Is Urgency: N

Is Fiscal: Y

Votes:

04/29/25 - **ASM. HUM. S.** (Y:7 N:0 A:0) (P)

05/07/25 - **ASM. APPR.** (Y:15 N:0 A:0) (P)

05/15/25 - **ASM. CONSENT CALENDAR** (Y:69 N:0 A:10) (P)

06/16/25 - **SEN. HUM. S.** (Y:5 N:0 A:0) (P)

06/30/25 - **SEN. APPR.** (Y:6 N:0 A:1) (P)

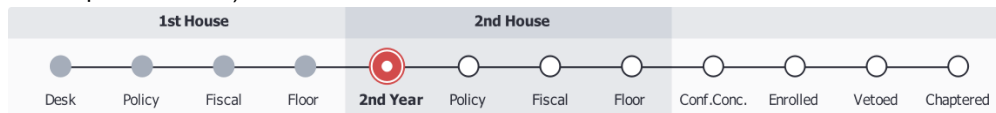
Position: Support

AB 898 **(Bryan, D) The Family Urgent Response System.**

Current Text: 02/19/2025 - Introduced [HTML](#) [PDF](#)

Introduced: 02/19/2025

Status: 07/17/2025 - Failed Deadline pursuant to Rule 61(a)(10). (Last location was DESK on 7/7/2025)(May be acted upon Jan 2026)



Location: 07/17/2025 - Senate 2 YEAR

Summary: Current law requires the State Department of Social Services to establish a statewide hotline as the entry point for the Family Urgent Response System, as defined, to respond to calls from caregivers or current or former foster children or youth during moments of instability, as specified. Current law requires the hotline to include, among other things, referrals to a county-based mobile response system, as specified, for further support and in-person response. Current law requires the department to collect deidentified, aggregated data, including the number of current and former foster children or youth served through the statewide hotline and the disposition of each call, and requires the department to publish a report on its internet website, as specified. This bill would instead specify that the statewide hotline shall be the primary entry point for the Family Urgent Response System. (Based on 02/19/2025 text)

Is Urgency: N

Is Fiscal: Y

Votes:

03/25/25 - **ASM. HUM. S.** (Y:7 N:0 A:0) (P)
 04/23/25 - **ASM. APPR.** (Y:15 N:0 A:0) (P)
 05/08/25 - **ASM. THIRD READING** (Y:73 N:0 A:6) (P)
 06/16/25 - **SEN. HUM. S.** (Y:5 N:0 A:0) (P)
 07/03/25 - **SEN. Consent Calendar 2nd** (Y:35 N:0 A:5) (P)

Position: Support

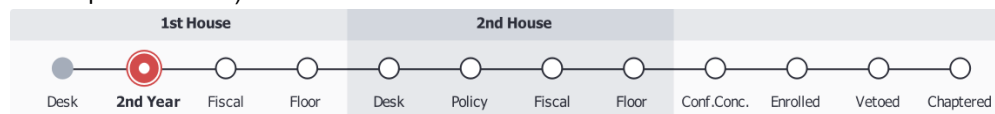
AB 970 (McKinnor, D) Child abuse and neglect reporting.

Current Text: 04/22/2025 - Amended **HTML PDF**

Introduced: 02/20/2025

Last Amended: 04/22/2025

Status: 05/01/2025 - Failed Deadline pursuant to Rule 61(a)(2). (Last location was PUB. S. on 4/8/2025)(May be acted upon Jan 2026)



Location: 05/01/2025 - Assembly 2 YEAR

Summary: The Child Abuse and Neglect Reporting Act establishes procedures for the reporting and investigation of suspected child abuse or neglect. The act requires certain professionals, including specified health practitioners and social workers, known as "mandated reporters," to report by telephone known or reasonably suspected child abuse or neglect to a local law enforcement agency or a county welfare or probation department, as specified. Current law authorizes a county welfare agency to develop a program for internet-based reporting of child abuse and neglect, as specified. Current law authorizes a mandated reporter in a county where the program is active to use the internet-based reporting tool in lieu of the required initial telephone report. This bill would authorize the County of Los Angeles to establish a 2-year pilot program to test a new model for the mandatory reporting of child abuse or neglect. The bill would require the pilot program to include a comprehensive County of Los Angeles mandated reporter training that may be made available to all mandated reporters in the county. The bill would require the pilot program to also include the development and deployment of an internet-based decision-support tool, developed through a collaborative process with, among others, the State Department of Social Services, for mandated reporters who have completed that training. The bill would require the decision-support tool to, among other things, make a recommendation on whether or not to report and would prohibit the decision-support tool from using predictive analysis. The bill would, during the time the pilot program is in effect, deem a mandated reporter to have satisfied their reporting duties if the reporter completed the training, used the decision-support tool, and complied with the recommended action. (Based on 04/22/2025 text)

Is Urgency: N

Is Fiscal: Y

Votes:

04/08/25 - **ASM. HUM. S.** (Y:6 N:0 A:0) (P)

Position: Support

AB 1153 (Bonta, D) Solid waste disposal and codisposal site cleanup: illegal disposal site abatement.

Current Text: 04/22/2025 - Amended **HTML PDF**

Introduced: 02/20/2025

Last Amended: 04/22/2025

Status: 05/23/2025 - In committee: Hearing postponed by committee.



Location: 04/30/2025 - Assembly APPR. SUSPENSE FILE

Summary: The California Integrated Waste Management Act of 1989, which is administered by the Department of Resources Recycling and Recovery, establishes an integrated waste management program. The act requires the department to initiate a program for the cleanup of solid waste disposal sites and for cleanup of solid waste at co-disposal sites where no responsible party is available to pay for timely remediation, and where cleanup is needed to protect public health and safety or the environment. Current law provides that all expenses incurred by the department in carrying out the program are to be paid from the Solid Waste Disposal Site Cleanup Trust Fund, which is continuously appropriated to the department for purposes of the program. Current law authorizes the department, in administering the program, to expend funds for specified purposes, including providing grants to public entities for the abatement of illegal disposal sites. This bill would additionally authorize the department to

expend funds appropriated for the program for removing and disposing of recreational vehicles, as defined, for developing enforcement strategies, and for developing local enforcement teams and illegal dumping enforcement officers, as specified. (Based on 04/22/2025 text)

Is Urgency: N

Is Fiscal: Y

Votes:

04/07/25 - **ASM. NAT. RES.** (Y:14 N:0 A:0) (P)

Position: Support

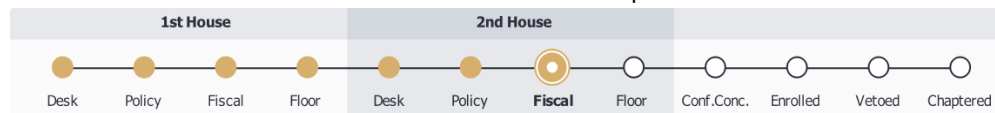
AB 1288 (Addis, D) Registered environmental health specialists.

Current Text: 04/10/2025 - Amended [HTML](#) [PDF](#)

Introduced: 02/21/2025

Last Amended: 04/10/2025

Status: 07/14/2025 - In committee: Referred to APPR. suspense file.



Location: 07/14/2025 - Senate APPR. SUSPENSE FILE

Summary: Current law provides for the certification of registered environmental health specialists by the State Department of Public Health and establishes application, examination, and renewal fees for this certification. Current law prescribes educational requirements for the registration of an environmental health specialist and requires all basic science coursework to be equal to what is acceptable in an approved environmental health degree program. Current law provides that only a person who meets those educational and experience requirements is eligible for admission to the environmental health specialist examination. Current law prohibits an applicant who fails to pass the written examination twice from taking the examination additional times unless specified time periods have elapsed. Current law prohibits a person from taking the examination more than once in a 2-year period. Current law requires the department to maintain a current registry of all registered environmental health specialists and environmental health specialist trainees in the state. Current law defines the scope of practice for a registered environmental health professional to include, but not be limited to, the prevention of environmental health hazards and the promotion and protection of the public health and the environment in specified areas, including, among others, food protection, housing, and hazardous materials management. Current law authorizes a local health department to employ a registered environmental health specialist to enforce public health laws, as specified. Current law authorizes an environmental health specialist trainee to work under the supervision of a registered environmental health specialist for a period not to exceed 3 years. Current law defines "environmental health specialist trainee" as a person who possesses a bachelor's degree, as specified, and who is engaged in an approved environmental health training plan. Current law requires an environmental health training plan to include specified elements. This bill would instead prohibit an applicant from being reexamined for 90 days after failing to pass the written examination. The bill would revise the educational requirements for the registration of an environmental health specialist, as specified, and would delete the requirement that basic science coursework be equal to what is acceptable in an approved environmental health degree program. This bill would extend the period of required supervision to instead not exceed 5 years. The bill would include body art and medical waste in the scope of practice of registered environmental health specialists and would revise the environmental health training plan elements, as specified. (Based on 04/10/2025 text)

Is Urgency: N

Is Fiscal: Y

Votes:

04/22/25 - **ASM. HEALTH** (Y:16 N:0 A:0) (P)

05/23/25 - **ASM. APPR.** (Y:14 N:0 A:1) (P)

06/03/25 - **ASM. THIRD READING** (Y:79 N:0 A:0) (P)

07/02/25 - **SEN. HEALTH** (Y:11 N:0 A:0) (P)

07/14/25 - **SEN. APPR.** (Y:7 N:0 A:0) (P)

Position: Support

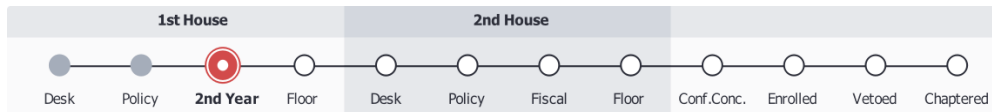
AB 1426 (Kalra, D) Diablo Range Conservation Program.

Current Text: 04/10/2025 - Amended [HTML](#) [PDF](#)

Introduced: 02/21/2025

Last Amended: 04/10/2025

Status: 05/23/2025 - Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. SUSPENSE FILE on 5/7/2025)(May be acted upon Jan 2026)



Location: 05/23/2025 - Assembly 2 YEAR

Summary: The Wildlife Conservation Law of 1947 establishes the Wildlife Conservation Board within the Department of Fish and Wildlife to investigate, study, and determine what areas within the state are most essential and suitable for wildlife production and preservation, among other things. Under existing law, the board administers various habitat conservation programs. This bill would require the board to establish and administer, through the Department of Fish and Wildlife, the Diablo Range Conservation Program and, pursuant to the program, to approve projects to acquire, preserve, restore, and enhance habitat within the Diablo Range, as defined, consistent with conservation strategies approved by the department. The bill would authorize the board to provide grants to local public agencies, nonprofit organizations, and California Native American tribes to be used for various purposes, including the acquisition, restoration, and enhancement of fish and wildlife habitat and other natural resources within and adjacent to the Diablo Range. The bill would establish the Diablo Range Conservation Fund in the State Treasury and would make moneys in the fund available, upon appropriation by the Legislature, for purposes of the program. (Based on 04/10/2025 text)

Is Urgency: N

Is Fiscal: Y

Votes:

04/08/25 - **ASM. W., P. & W.** (Y:10 N:2 A:1) (P)

04/28/25 - **ASM. NAT. RES.** (Y:12 N:1 A:1) (P)

Position: Support

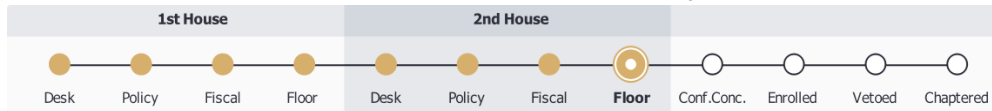
AB 1430 (**Bennett, D**) **County recorders: fees.**

Current Text: 03/17/2025 - Amended **HTML PDF**

Introduced: 02/21/2025

Last Amended: 03/17/2025

Status: 07/01/2025 - Read second time. Ordered to third reading.



Location: 07/01/2025 - Senate THIRD READING

Summary: Current law establishes the office of county recorder and requires the county recorder to accept for recordation any instrument, paper, or notice that is authorized or required to be recorded, subject to the collection of specified fees. Current law prohibits the fee for recording and indexing an instrument, paper, or notice from exceeding \$10 for recording the first page and \$3 for each additional page, which charges are to reimburse the county for the costs of services rendered. Current law requires \$1 of each \$3 fee for each additional page to be deposited in the county general fund. This bill would set the fee for recording and indexing at \$15 for recording the first page and \$4 for each additional page but would prohibit the fees from exceeding the reasonable costs of the county recorder's office for providing these services. The bill would provide that these funds are to be dedicated to, and solely utilized for, the county recorder's office, as specified. (Based on 03/17/2025 text)

Is Urgency: N

Is Fiscal: Y

Votes:

04/30/25 - **ASM. L. GOV.** (Y:8 N:0 A:2) (P)

05/14/25 - **ASM. APPR.** (Y:12 N:1 A:2) (P)

05/23/25 - **ASM. THIRD READING** (Y:64 N:1 A:14) (P)

06/18/25 - **SEN. L. GOV.** (Y:6 N:0 A:1) (P)

Position: Support

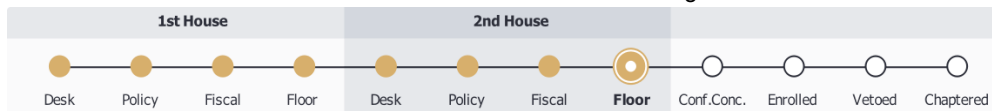
SB 227 (**Grayson, D**) **Green Empowerment Zone for the Northern Waterfront area of the County of Contra Costa.**

Current Text: 06/30/2025 - Amended **HTML PDF**

Introduced: 01/28/2025

Last Amended: 06/30/2025

Status: 07/09/2025 - Read second time. Ordered to third reading.



Location: 07/09/2025 - Assembly THIRD READING

Summary: Current law, until January 1, 2028, authorizes the establishment of a Green Empowerment Zone for the Northern Waterfront area of the County of Contra Costa for the purpose of building upon the comparative advantage provided by the regional concentration of highly skilled energy industry workers by prioritizing access to tax incentives, grants, and loan programs, among other incentives. Current law authorizes the Green Empowerment Zone to be composed of 9 specified cities and the County of Contra Costa, upon adoption of a resolution by the city or county, and provides for the Green Empowerment Zone to be governed by a board of directors comprised of representatives from 7 stakeholder groups, as specified. This bill would extend the authorization for the Green Empowerment Zone to January 1, 2040, and would authorize the expansion of the Green Empowerment Zone to include 4 additional cities, including the Cities of El Cerrito, Pinole, Richmond, and San Pablo, upon adoption of a resolution by each city. The bill would make changes to the stakeholder groups who serve on the board of directors, including increasing the number of stakeholder groups to 8 by adding a category for 7 directors who live or work in the Green Empowerment Zone and who represent environmental or environmental justice organizations or interests. (Based on 06/30/2025 text)

Is Urgency: Y

Is Fiscal: N

Votes:

04/07/25 - **SEN. B., P. & E.D.** (Y:10 N:0 A:1) (P)

05/07/25 - **SEN. L. GOV.** (Y:7 N:0 A:0) (P)

05/27/25 - **SEN. Senate 3rd Reading** (Y:39 N:0 A:1) (P)

07/08/25 - **ASM. E.D., G., & H.I.** (Y:7 N:0 A:1) (P)

Position: Support

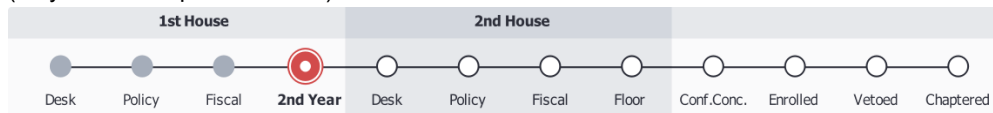
SB 239 (**Arreguín, D**) **Open meetings: teleconferencing: subsidiary body.**

Current Text: 04/07/2025 - Amended **HTML PDF**

Introduced: 01/30/2025

Last Amended: 04/07/2025

Status: 06/05/2025 - Failed Deadline pursuant to Rule 61(a)(8). (Last location was INACTIVE FILE on 6/3/2025) (May be acted upon Jan 2026)



Location: 06/05/2025 - Senate 2 YEAR

Summary: The Ralph M. Brown Act requires, with specified exceptions, that all meetings of a legislative body, as defined, of a local agency be open and public and that all persons be permitted to attend and participate. The act generally requires for teleconferencing that the legislative body of a local agency that elects to use teleconferencing post agendas at all teleconference locations, identify each teleconference location in the notice and agenda of the meeting or proceeding, and have each teleconference location be accessible to the public. Current law also requires that, during the teleconference, at least a quorum of the members of the legislative body participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction, except as specified. Current law, until January 1, 2026, authorizes specified neighborhood city councils to use alternate teleconferencing provisions related to notice, agenda, and public participation, as prescribed, if, among other requirements, the city council has adopted an authorizing resolution and 2/3 of the neighborhood city council votes to use alternate teleconference provisions, as specified. This bill would authorize a subsidiary body, as defined, to use alternative teleconferencing provisions and would impose requirements for notice, agenda, and public participation, as prescribed. The bill would require the subsidiary body to post the agenda at each physical meeting location designated by the subsidiary body, as specified. The bill would require the members of the subsidiary body to visibly appear on camera during the open portion of a meeting that is publicly accessible via the internet or other online platform, as specified. (Based on 04/07/2025 text)

Is Urgency: N

Is Fiscal: N

Votes:

04/02/25 - **SEN. L. GOV.** (Y:5 N:2 A:0) (P)

05/06/25 - **SEN. JUD.** (Y:10 N:1 A:2) (P)

Position: Support

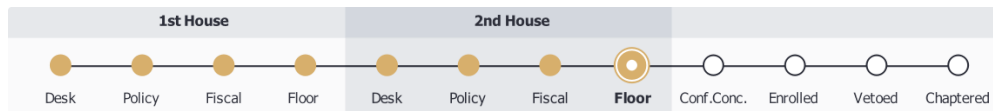
SB 392 (**Grayson, D**) **Regional park districts: East Bay Regional Park District: East Bay Hills Conservation Program.**

Current Text: 06/13/2025 - Amended **HTML PDF**

Introduced: 02/14/2025

Last Amended: 06/13/2025

Status: 07/17/2025 - Read second time. Ordered to consent calendar.



Location: 07/16/2025 - Assembly CONSENT CALENDAR

Summary: Would authorize the East Bay Regional Park District to establish and administer the East Bay Hills Conservation Program to address resource and recreational goals of the East Bay Hills, as defined. The bill would authorize the Park District to collaborate with California Native American tribes and state, regional, and local partners to help achieve specified goals of the program. The bill would require the East Bay Hills to be acknowledged as an area of statewide significance in local land use policy documents developed or updated on or after January 1, 2026, affecting land use within the East Bay Hills. To the extent that this bill would impose new duties on local entities, the bill would impose a state-mandated local program. (Based on 06/13/2025 text)

Is Urgency: N

Is Fiscal: Y

Votes:

04/30/25 - **SEN. L. GOV.** (Y:7 N:0 A:0) (P)

05/15/25 - **SEN. Consent Calendar 2nd** (Y:34 N:0 A:6) (P)

07/02/25 - **ASM. L. GOV.** (Y:10 N:0 A:0) (P)

07/16/25 - **ASM. APPR.** (Y:13 N:0 A:2) (P)

Position: Support

SB 696

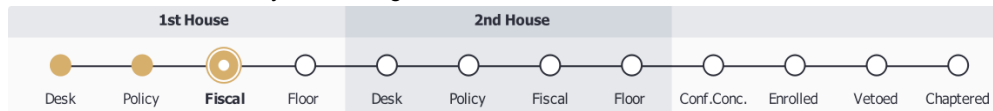
(Alvarado-Gil, R) Sales and Use Tax Law: exemptions: firefighting equipment.

Current Text: 05/08/2025 - Amended [HTML](#) [PDF](#)

Introduced: 02/21/2025

Last Amended: 05/08/2025

Status: 05/23/2025 - May 23 hearing: Held in committee and under submission.



Location: 05/19/2025 - Senate APPR. SUSPENSE FILE

Summary: Existing state sales and use tax laws impose a tax on retailers measured by the gross receipts from the sale of tangible personal property sold at retail in this state or on the storage, use, or other consumption in this state of tangible personal property purchased from a retailer for storage, use, or other consumption in this state. The Sales and Use Tax Law provides various exemptions from those taxes. This bill, on and after July 1, 2026, and before January 1, 2031, would exempt from those taxes the gross receipts from the sale in this state of, and the storage, use, or other consumption in this state of, firefighting apparatus, equipment, or specialized vehicles, as defined, purchased by a fire department, including an all-volunteer fire department, as defined, or a fire protection district. This bill contains other related provisions and other existing laws. (Based on 05/08/2025 text)

Is Urgency: Y

Is Fiscal: Y

Votes:

05/14/25 - **SEN. REV. & TAX** (Y:5 N:0 A:0) (P)

05/19/25 - **SEN. APPR.** (Y:5 N:0 A:2) (P)

Position: Support

Watch

AB 252

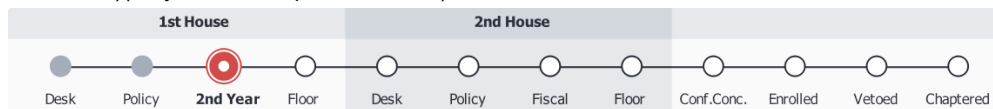
(Bains, D) Wildfire protection: Department of Forestry and Fire Protection: staffing.

Current Text: 03/24/2025 - Amended [HTML](#) [PDF](#)

Introduced: 01/15/2025 (Spot bill)

Last Amended: 03/24/2025

Status: 05/23/2025 - Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. SUSPENSE FILE on 4/23/2025)(May be acted upon Jan 2026)



Location: 05/23/2025 - Assembly 2 YEAR

Summary: Current law establishes the Department of Forestry and Fire Protection in the Natural Resources Agency. Current law requires the department to be responsible for specified activities, including maintaining an integrated staff to accomplish fire protection, fire prevention, pest control, and forest and range protection and enhancement activities, as needed. This bill would require the department to reach full staffing levels, as defined, on or before January 1, 2028, and to maintain full staffing levels throughout the calendar year at all fire stations and facilities under its jurisdiction. The bill would require the department to implement staffing requirements on a schedule, as specified. The bill would require the department to report annually to the Legislature on, among other things, progress toward implementation of year-round staffing requirements. (Based on 03/24/2025 text)

Is Urgency: N

Is Fiscal: Y

Votes:

04/07/25 - **ASM. NAT. RES.** (Y:14 N:0 A:0) (P)

Position: Watch

AB 283

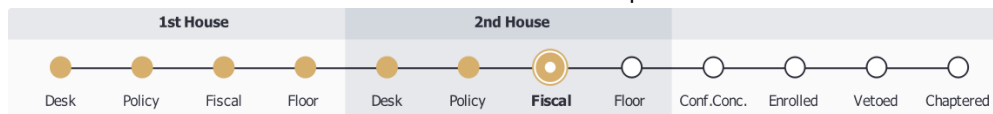
(Haney, D) In-Home Supportive Services Employer-Employee Relations Act.

Current Text: 06/12/2025 - Amended [HTML](#) [PDF](#)

Introduced: 01/22/2025

Last Amended: 06/12/2025

Status: 07/14/2025 - In committee: Referred to APPR. suspense file.



Location: 07/14/2025 - Senate APPR. SUSPENSE FILE

Summary: Current law establishes the In-Home Supportive Services (IHSS) program, which is administered by the State Department of Social Services, counties, and other entities, under which qualified aged, blind, or disabled persons are provided with supportive services in order to permit them to remain in their own homes. Current law authorizes a county board of supervisors to elect to contract with a nonprofit consortium to provide for the delivery of in-home supportive services or to establish, by ordinance, a public authority to provide for the delivery of those services, in accordance with certain procedures. Current law deems a public authority created under these provisions to be the employer of in-home supportive services personnel under the Meyers-Milias-Brown Act, which governs labor relations between local public employers and employees. Existing law also deems a nonprofit consortium contracting with a county to be the employer of in-home supportive services personnel for purposes of collective bargaining over wages, hours, and other terms and conditions of employment. Current law grants recipients of in-home supportive services the right to hire, fire, and supervise the work of any in-home supportive services personnel providing services for them. Current law prohibits the state and specified local public employers from deterring or discouraging public employees from becoming or remaining members of an employee organization. Current law also requires specified public employers to provide exclusive employee representatives access to new employee orientations. Current law generally grants the Public Employment Relations Board jurisdiction over violations of these provisions. Current law defines "public employers" who are subject to these provisions as including, among others, public agencies, cities, counties, and districts. This bill would expand the definition of "public employer," for purposes of those provisions, to include an employer who is subject to the In-Home Supportive Services Employer-Employee Relations Act, which the bill would create. The bill would establish a method for resolving disputes regarding wages, benefits, and other terms and conditions of employment between the state and recognized employee organizations representing individual providers. (Based on 06/12/2025 text)

Is Urgency: N

Is Fiscal: Y

Votes:

03/19/25 - **ASM. P.E. & R.** (Y:7 N:0 A:0) (P)

05/23/25 - **ASM. APPR.** (Y:12 N:2 A:1) (P)

05/29/25 - **ASM. THIRD READING** (Y:64 N:4 A:11) (P)

06/18/25 - **SEN. P.E. & R.** (Y:4 N:1 A:0) (P)

07/01/25 - **SEN. JUD.** (Y:12 N:1 A:0) (P)

07/14/25 - **SEN. APPR.** (Y:7 N:0 A:0) (P)

Position: Watch

AB 340

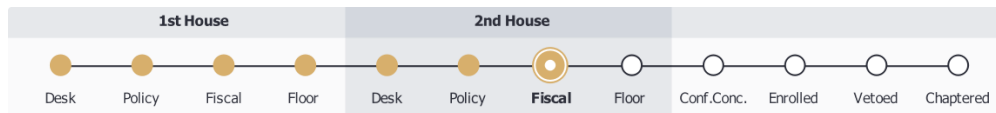
(Ahrens, D) Employer-employee relations: confidential communications.

Current Text: 03/05/2025 - Amended [HTML](#) [PDF](#)

Introduced: 01/28/2025

Last Amended: 03/05/2025

Status: 07/16/2025 - From committee: Do pass and re-refer to Com. on APPR. (Ayes 10. Noes 2.) (July 15). Re-referred to Com. on APPR.



Location: 07/16/2025 - Senate Appropriations

Summary: Current law that governs the labor relations of public employees and employers, including, among others, the Meyers-Miliias-Brown Act, the Ralph C. Dills Act, provisions relating to public schools, and provisions relating to higher education, prohibits employers from taking certain actions relating to employee organization, including imposing or threatening to impose reprisals on employees, discriminating or threatening to discriminate against employees, or otherwise interfering with, restraining, or coercing employees because of their exercise of their guaranteed rights. Those provisions of current law further prohibit denying to employee organizations the rights guaranteed to them by current law. This bill would prohibit a public employer from questioning a public employee, a representative of a recognized employee organization, or an exclusive representative regarding communications made in confidence between an employee and an employee representative in connection with representation relating to any matter within the scope of the recognized employee organization's representation. (Based on 03/05/2025 text)

Is Urgency: N

Is Fiscal: Y

Votes:

03/19/25 - **ASM. P.E. & R.** (Y:6 N:0 A:1) (P)

05/23/25 - **ASM. APPR.** (Y:11 N:0 A:4) (P)

06/03/25 - **ASM. THIRD READING** (Y:65 N:1 A:13) (P)

06/25/25 - **SEN. P.E. & R.** (Y:4 N:1 A:0) (P)

07/15/25 - **SEN. JUD.** (Y:10 N:2 A:1) (P)

Position: Watch

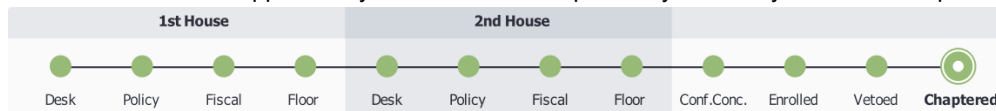
AB 370 (Carrillo, D) California Public Records Act: cyberattacks.

Current Text: 07/14/2025 - Chaptered [HTML](#) [PDF](#)

Introduced: 02/03/2025

Last Amended: 03/12/2025

Status: 07/14/2025 - Approved by the Governor. Chaptered by Secretary of State - Chapter 34, Statutes of 2025.



Location: 07/14/2025 - Assembly CHAPTERED

Summary: The California Public Records Act requires state and local agencies to make their records available for public inspection, except as specified. Current law requires each agency, within 10 days of a request for a copy of records, to determine whether the request seeks copies of disclosable public records in possession of the agency and to promptly notify the person of the determination and the reasons therefor. Current law authorizes that time limit to be extended by no more than 14 days under unusual circumstances, and defines "unusual circumstances" to include, among other things, the need to search for, collect, and appropriately examine records during a state of emergency when the state of emergency currently affects the agency's ability to timely respond to requests due to staffing shortages or closure of facilities, as provided. This bill would also expand the definition of unusual circumstances to include the inability of the agency, because of a cyberattack, to access its electronic servers or systems in order to search for and obtain a record that the agency believes is responsive to a request and is maintained on the servers or systems in an electronic format. (Based on 07/14/2025 text)

Is Urgency: N

Is Fiscal: Y

Votes:

03/11/25 - **ASM. JUD.** (Y:12 N:0 A:0) (P)

04/09/25 - **ASM. APPR.** (Y:14 N:0 A:1) (P)

04/24/25 - **ASM. CONSENT CALENDAR** (Y:75 N:0 A:4) (P)

06/17/25 - **SEN. JUD.** (Y:12 N:0 A:1) (P)

07/03/25 - **SEN. Consent Calendar 2nd** (Y:35 N:0 A:5) (P)

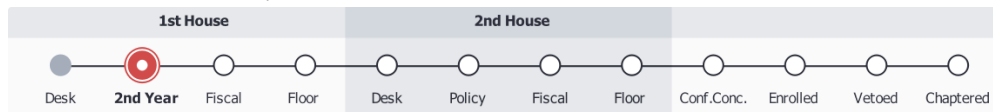
Position: Watch

AB 404 (Sanchez, R) California Environmental Quality Act: exemption: prescribed fire, reforestation, habitat restoration, thinning, or fuel reduction projects.

Current Text: 02/04/2025 - Introduced [HTML](#) [PDF](#)

Introduced: 02/04/2025

Status: 05/01/2025 - Failed Deadline pursuant to Rule 61(a)(2). (Last location was NAT. RES. on 2/18/2025)(May be acted upon Jan 2026)



Location: 05/01/2025 - Assembly 2 YEAR

Summary: The California Environmental Quality Act (CEQA) requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. Current law, until January 1, 2028, except for the issuance of a permit or other permit approval, exempts from the requirements of CEQA prescribed fire, reforestation, habitat restoration, thinning, or fuel reduction projects, or related activities, undertaken, in whole or in part, on federal lands to reduce the risk of high-severity wildfire that have been reviewed under the federal National Environmental Policy Act of 1969 meeting certain requirements. Current law requires a lead agency, if it determines that a project qualifies for the above exemption and it determines to approve or carry out the project, to file a notice of exemption with the Office of Land Use and Climate Innovation and with the county clerk in the county in which the project will be located and to post the notice of exemption on its internet website together with a description of where the documents analyzing the environmental impacts of the project under the federal act are available for review. Current law requires the lead agency, if it is not the Department of Forestry and Fire Protection, to provide the notice of exemption and certain information to the department. This bill would extend the above exemption and requirements on the lead agency indefinitely. (Based on 02/04/2025 text)

Is Urgency: N

Is Fiscal: Y

Position: Watch

AB 465

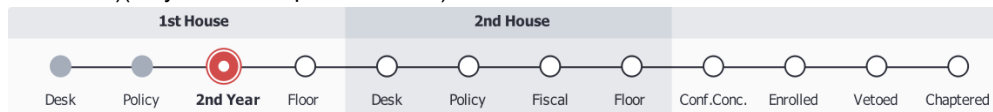
(Zbur, D) Local public employees: memoranda of understanding.

Current Text: 03/13/2025 - Amended [HTML](#) [PDF](#)

Introduced: 02/06/2025

Last Amended: 03/13/2025

Status: 05/23/2025 - Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. SUSPENSE FILE on 4/23/2025)(May be acted upon Jan 2026)



Location: 05/23/2025 - Assembly 2 YEAR

Summary: The Meyers-Milias-Brown Act authorizes local public employees, as defined, to form, join, and participate in the activities of employee organizations of their own choosing for the purpose of representation on matters of labor relations and defines various terms for these purposes. The act prohibits a public agency from, among other things, refusing or failing to meet and negotiate in good faith with a recognized employee organization. Current law states that the Legislature finds and declares that the duties and responsibilities of local agency employer representatives under the act are substantially similar to the duties and responsibilities required under existing collective bargaining enforcement procedures and therefore the costs incurred by the local agency employer representatives in performing those duties and responsibilities under that act are not reimbursable as state-mandated costs. This bill would require, on or after January 1, 2026, a memorandum of understanding between a public agency and a recognized employee organization to include specified provisions including, among other things, a provision providing for a system of progressive discipline that grants due process to an employee when they are disciplined, upon the request of the recognized employee organization. The bill would define "progressive discipline" and "due process" for this purpose. (Based on 03/13/2025 text)

Is Urgency: N

Is Fiscal: Y

Votes:

04/02/25 - **ASM. P.E. & R.** (Y:5 N:0 A:2) (P)

Position: Watch

AB 514

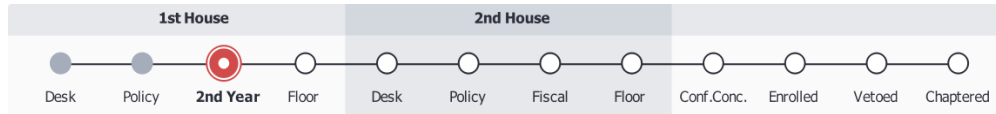
(Petrie-Norris, D) Water: emergency water supplies.

Current Text: 05/01/2025 - Amended [HTML](#) [PDF](#)

Introduced: 02/10/2025

Last Amended: 05/01/2025

Status: 05/23/2025 - Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. SUSPENSE FILE on 5/14/2025)(May be acted upon Jan 2026)



Location: 05/23/2025 - Assembly 2 YEAR

Summary: Would declare that it is the established policy of the state to encourage, but not mandate, the development of emergency water supplies by both local and regional water suppliers, as defined, and to support their use during times of drought or unplanned service or supply disruption, as provided. (Based on 05/01/2025 text)

Is Urgency: N

Is Fiscal: Y

Votes:

04/29/25 - **ASM. W.,P. & W.** (Y:13 N:0 A:0) (P)

Position: Watch

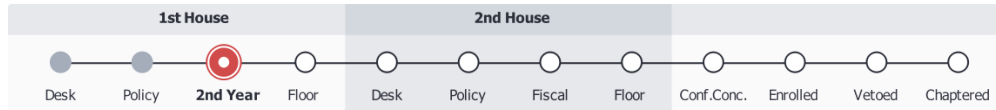
AB 569 (Stefani, D) California Public Employees' Pension Reform Act of 2013: exceptions: supplemental defined benefit plans.

Current Text: 04/24/2025 - Amended [HTML](#) [PDF](#)

Introduced: 02/12/2025

Last Amended: 04/24/2025

Status: 05/23/2025 - Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. SUSPENSE FILE on 5/21/2025)(May be acted upon Jan 2026)



Location: 05/23/2025 - Assembly 2 YEAR

Summary: The California Public Employees' Pension Reform Act of 2013 (PEPRA) on and after January 1, 2013, requires a public retirement system, as defined, to modify its plan or plans to comply with PEPRA, as specified. PEPRA prohibits a public employer from offering a defined benefit pension plan exceeding specified retirement formulas, requires new members of public retirement systems to contribute at least a specified amount of the normal cost, as defined, for their defined benefit plans, and prohibits an enhancement of a public employee's retirement formula or benefit adopted after January 1, 2013, from applying to service performed prior to the operative date of the enhancement. PEPRA prohibits a public employer from offering a supplemental defined benefit plan if the public employer did not do so before January 1, 2013, or, if it did, from offering that plan to an additional employee group after that date. This bill would authorize a public employer, as defined, to bargain over contributions for supplemental retirement benefits administered by, or on behalf of, an exclusive bargaining representative of one or more of the public employer's bargaining units, subject to the limitations specified above. (Based on 04/24/2025 text)

Is Urgency: N

Is Fiscal: N

Votes:

04/23/25 - **ASM. P.E. & R.** (Y:7 N:0 A:0) (P)

Position: Watch

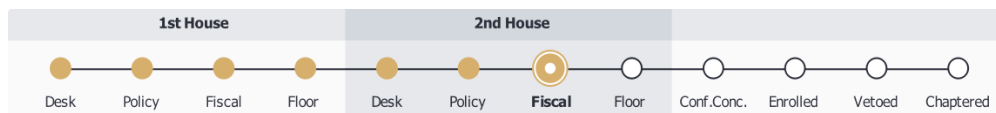
AB 793 (Schultz, D) Potentially dangerous and vicious dogs: designation and disposition: burden of proof.

Current Text: 07/17/2025 - Amended [HTML](#) [PDF](#)

Introduced: 02/18/2025

Last Amended: 07/17/2025

Status: 07/17/2025 - Read second time and amended. Re-referred to Com. on APPR.



Location: 07/16/2025 - Senate Appropriations

Summary: Current law regulates potentially dangerous and vicious dogs and requires the chief officer of the public animal shelter or animal control department, or the head of the local law enforcement agency, if probable

cause exists to believe that a dog is potentially dangerous or vicious, to petition the superior court for a hearing in a limited civil proceeding to determine, upon a preponderance of the evidence, whether the dog should be declared potentially dangerous or vicious. Current law also authorizes a city or county to establish an administrative hearing procedure to hear and dispose of petitions filed for these purposes. Current law authorizes the owner or keeper of the dog to contest the determination through an appeal to the superior court, as specified, and requires the superior court to make its own determination, upon a preponderance of the evidence, as to the potential danger and viciousness of the dog. Current law authorizes a dog determined to be a vicious dog to be destroyed by the animal control department when it is found, after one of those proceedings conducted by a court or other hearing entity, that the release of the dog would create a significant threat to the public health, safety, and welfare. For purposes of these provisions, current law generally defines “potentially dangerous dog” and “vicious dog” as a dog that, when unprovoked, engages in specified conduct, as applicable. This bill would require a court or other hearing entity in a proceeding on original jurisdiction, or a court in a proceeding on appeal, to determine whether a dog is vicious upon clear and convincing evidence and, when determining whether a dog is potentially dangerous or vicious, to make factual findings to support the conclusion that each requirement for placement in that category has been met, including findings specific to whether the dog was provoked. The bill would define the term “provoke” for purposes of these provisions. (Based on 07/17/2025 text)

Is Urgency: N

Is Fiscal: N

Votes:

04/08/25 - **ASM. JUD.** (Y:12 N:0 A:0) (P)

04/24/25 - **ASM. THIRD READING** (Y:68 N:0 A:11) (P)

07/15/25 - **SEN. JUD.** (Y:9 N:0 A:4) (P)

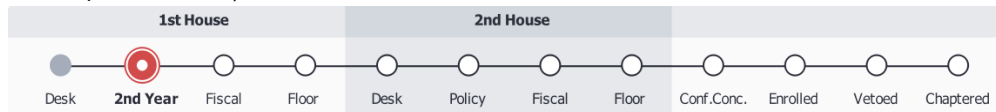
Position: Watch

AB 874 (**Ávila Fariás, D**) **Mitigation Fee Act: waiver of fees: affordable rental housing.**

Current Text: 02/19/2025 - Introduced **HTML** **PDF**

Introduced: 02/19/2025

Status: 05/01/2025 - Failed Deadline pursuant to Rule 61(a)(2). (Last location was L. GOV. on 3/10/2025)(May be acted upon Jan 2026)



Location: 05/01/2025 - Assembly 2 YEAR

Summary: The Mitigation Fee Act imposes certain requirements on a local agency that imposes a fee as a condition of approval of a development project that is imposed to provide for an improvement to be constructed to serve the development project, or a fee for public improvements, as specified. The act also regulates fees for development projects and fees for specific purposes, including water and sewer connection fees, among others. The act, among other things, requires local agencies to comply with various conditions when imposing fees, extractions, or charges as a condition of approval of a proposed development or development project. The act prohibits a local agency that imposes fees or charges on a residential development for the construction of public improvements or facilities from requiring the payment of those fees or charges until the date of the final inspection or the date the certificate of occupancy is issued, whichever occurs first, except for utility service fees, as provided. This bill would require a local agency to waive fees or charges that are collected by a local agency to fund the construction of public improvements or facilities for residential developments subject to a regulatory agreement with a public entity, as provided, that includes certain income and affordability requirements. (Based on 02/19/2025 text)

Is Urgency: N

Is Fiscal: Y

Position: Watch

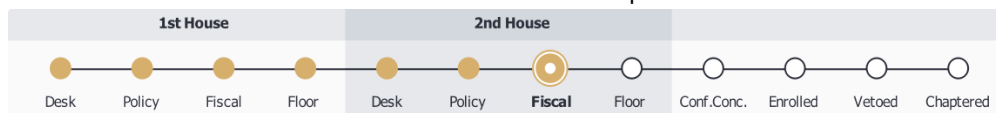
AB 1071 (**Kalra, D**) **Criminal procedure: discrimination.**

Current Text: 06/25/2025 - Amended **HTML** **PDF**

Introduced: 02/20/2025

Last Amended: 06/25/2025

Status: 07/14/2025 - In committee: Referred to APPR. suspense file.



Location: 07/14/2025 - Senate APPR. SUSPENSE FILE

Summary: Current law prohibits the state from seeking, obtaining, or imposing a criminal conviction or sentence on the basis of race, ethnicity, or national origin. Under current law, a defendant may pursue relief for a violation of this prohibition by filing a motion pursuant to the provisions that prohibit this conduct, a petition for a writ of habeas corpus, or a motion to vacate a conviction or sentence. This bill would recast and revise these procedures to pursue relief for a violation of the prohibition against the state seeking, obtaining, or imposing a criminal conviction or sentence on the basis of race, ethnicity, or national origin to provide an additional procedure for a defendant whose judgment is not final and who has an action pending before the trial or appellate court, is currently incarcerated, or post-incarceration, as specified. The bill would also recast the remedies for a violation of this prohibition in accordance with the procedure the defendant used to pursue relief. (Based on 06/25/2025 text)

Is Urgency: N

Is Fiscal: N

Votes:

04/22/25 - **ASM. PUB. S.** (Y:7 N:2 A:0) (P)

05/19/25 - **ASM. THIRD READING** (Y:48 N:16 A:15) (P)

06/24/25 - **SEN. PUB. S.** (Y:4 N:1 A:1) (P)

07/14/25 - **SEN. APPR.** (Y:7 N:0 A:0) (P)

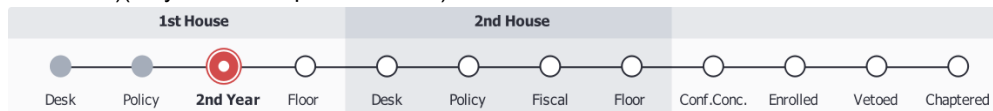
Position: Watch

AB 1198 (**Haney, D**) **Public works: prevailing wages.**

Current Text: 02/21/2025 - Introduced **HTML PDF**

Introduced: 02/21/2025

Status: 05/23/2025 - Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. SUSPENSE FILE on 4/23/2025)(May be acted upon Jan 2026)



Location: 05/23/2025 - Assembly 2 YEAR

Summary: Current law requires that, except as specified, not less than the general prevailing rate of per diem wages, determined by the Director of Industrial Relations, be paid to workers employed on public works projects. Current law requires the body awarding a contract for a public work to obtain from the director the general prevailing rate of per diem wages for work of a similar character in the locality in which the public work is to be performed, and the general prevailing rate of per diem wages for holiday and overtime work, for each craft, classification, or type of worker needed to execute the contract. Under current law, if the director determines during any quarterly period that there has been a change in any prevailing rate of per diem wages in a locality, the director is required to make that change available to the awarding body and their determination is final. Under current law, that determination does not apply to public works contracts for which the notice to bidders has been published. This bill would instead state, commencing July 1, 2026, that if the director determines, within a semiannual period, that there is a change in any prevailing rate of per diem wages in a locality, that determination applies to any public works contract that is awarded or for which notice to bidders is published after July 1, 2026. The bill would authorize any contractor, awarding body, or specified representative affected by a change in rates on a particular contract to, within 20 days, file with the director a verified petition to review the determination of that rate, as specified. (Based on 02/21/2025 text)

Is Urgency: N

Is Fiscal: Y

Votes:

04/02/25 - **ASM. L. & E.** (Y:7 N:0 A:0) (P)

Position: Watch

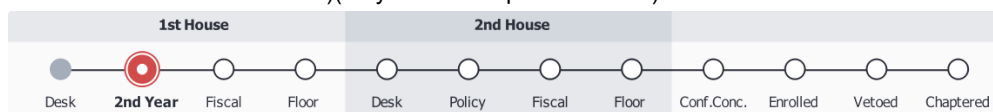
AB 1403 (**Hart, D**) **Emergency services.**

Current Text: 03/24/2025 - Amended **HTML PDF**

Introduced: 02/21/2025

Last Amended: 03/24/2025

Status: 05/08/2025 - Failed Deadline pursuant to Rule 61(a)(3). (Last location was EMERGENCY MANAGEMENT on 3/24/2025)(May be acted upon Jan 2026)



Location: 05/08/2025 - Assembly 2 YEAR

Summary: Existing law, the Emergency Medical Services System and the Prehospital Emergency Medical Care Personnel Act, governs local emergency medical services (EMS) systems, authorizes each county to develop an EMS program and designate a local EMS agency, and requires the Emergency Medical Services Authority to receive plans for the implementation of EMS systems from local EMS agencies, as specified. Existing law requires a county to enter into a written agreement with a city or fire district that contracted for or provided prehospital EMS as of June 1, 1980. Existing law requires, until that written agreement is reached, prehospital EMS to be continued at not less than the existing level and the administration of prehospital EMS by cities and fire districts contracting for or providing those services as of June 1, 1980, to be retained by those cities and fire districts, as specified. This bill would authorize a county board of supervisors or the governing body of an entity or a joint powers agency designated as the local EMS agency by the board of supervisors to provide ambulance services to persons located within the county's jurisdiction by specified means, including assigning the duty of providing ambulance services to residents of the county to an existing county department and providing the department with the necessary staffing, vehicles, and equipment to provide ambulance services. The bill would require a county board of supervisors or a local EMS agency to adopt a written policy, including specified requirements, for an emergency ambulance services provider in order to enter into a contract with a provider for emergency ambulance services and would include required provisions for those contracts. The bill would make related findings and declarations. (Based on 03/24/2025 text)

Is Urgency: N

Is Fiscal: N

Position: Watch

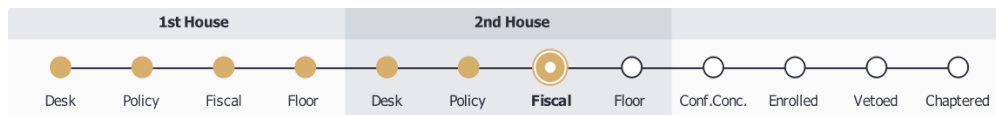
SB 30 **(Cortese, D) Diesel-powered on-track equipment: decommissioning: resale and transfer restrictions.**

Current Text: 07/16/2025 - Amended [HTML](#) [PDF](#)

Introduced: 12/02/2024 (Spot bill)

Last Amended: 07/16/2025

Status: 07/16/2025 - Read second time and amended. Re-referred to Com. on APPR.



Location: 07/15/2025 - Assembly Appropriations

Summary: Would prohibit a public entity that owns diesel-powered on-track equipment from selling, donating, or otherwise transferring ownership of that equipment for continued use after the public entity decommissions the equipment. The bill would exempt the sale, donation, or transfer of the ownership of that equipment from the prohibition if the equipment is deemed to be in one of specified categories of emissions standards designated by the federal government for locomotives, the equipment produces emissions equivalent to any equipment within any of those federal categories, or the diesel engine is removed from the equipment, as specified. (Based on 07/16/2025 text)

Is Urgency: N

Is Fiscal: Y

Votes:

04/08/25 - [SEN. TRANS.](#) (Y:11 N:3 A:1) (P)

04/30/25 - [SEN. E.Q.](#) (Y:6 N:0 A:2) (P)

05/28/25 - [SEN. Senate 3rd Reading](#) (Y:28 N:10 A:2) (P)

07/14/25 - [ASM. TRANS.](#) (Y:10 N:5 A:1) (P)

Position: Watch

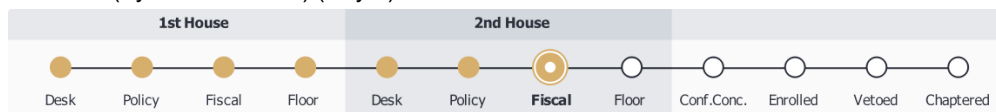
SB 78 **(Seyarto, R) Department of Transportation: report: state highway system: safety enhancements.**

Current Text: 04/02/2025 - Amended [HTML](#) [PDF](#)

Introduced: 01/15/2025

Last Amended: 04/02/2025

Status: 07/08/2025 - From committee: Do pass and re-refer to Com. on APPR. with recommendation: To consent calendar. (Ayes 16. Noes 0.) (July 7). Re-referred to Com. on APPR.



Location: 07/07/2025 - Assembly Appropriations

Summary: Would require the Department of Transportation to prepare a report to identify the types of safety enhancements that could be implemented on the state highway system, the common factors, if any, contributing to the delay in delivering those safety enhancements, and strategies to expedite safety enhancements on the state

highway system. The bill would require the department to submit the report to the Legislature on or before January 1, 2027. (Based on 04/02/2025 text)

Is Urgency: N

Is Fiscal: Y

Votes:

04/08/25 - **SEN. TRANS.** (Y:15 N:0 A:0) (P)

04/21/25 - **SEN. APPR.** (Y:6 N:0 A:1) (P)

05/23/25 - **SEN. APPR.** (Y:6 N:0 A:1) (P)

05/29/25 - **SEN. Special Consent** (Y:38 N:0 A:2) (P)

07/07/25 - **ASM. TRANS.** (Y:16 N:0 A:0) (P)

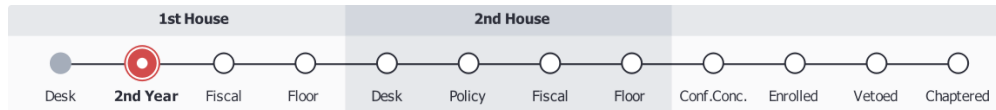
Position: Watch

SB 252 (**Valladares, R**) **California Environmental Quality Act: exemption: undergrounding powerlines.**

Current Text: 02/03/2025 - Introduced **HTML PDF**

Introduced: 02/03/2025

Status: 05/01/2025 - Failed Deadline pursuant to Rule 61(a)(2). (Last location was E.Q. on 2/14/2025)(May be acted upon Jan 2026)



Location: 05/01/2025 - Senate 2 YEAR

Summary: The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of an environmental impact report on a project that it proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. CEQA also requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. This bill would exempt from the provisions of CEQA a project to underground powerlines. (Based on 02/03/2025 text)

Is Urgency: N

Is Fiscal: Y

Position: Watch

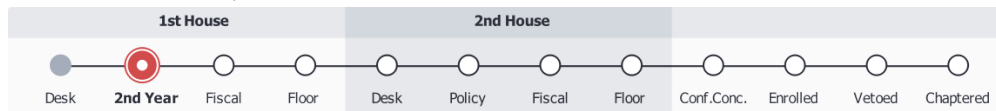
SB 315 (**Grayson, D**) **Quimby Act.**

Current Text: 03/17/2025 - Amended **HTML PDF**

Introduced: 02/11/2025

Last Amended: 03/17/2025

Status: 05/01/2025 - Failed Deadline pursuant to Rule 61(a)(2). (Last location was L. GOV. on 3/26/2025)(May be acted upon Jan 2026)



Location: 05/01/2025 - Senate 2 YEAR

Summary: The Quimby Act, which is within the Subdivision Map Act, authorizes the legislative body of a city or county to require the dedication of land or to impose fees for park or recreational purposes as a condition to the approval of a tentative map or parcel subdivision map if specified requirements are met. The act provides that the dedication of land, or the payment of fees, or both, shall not exceed the proportionate amount necessary to provide 3 acres of park area per 1,000 persons residing within a subdivision subject to the act, except as specified. This bill would additionally prohibit the proportion of the land to be dedicated, or the amount of any fee to be paid in lieu thereof, or both, from exceeding 25% of the total acreage of the subdivision, if the proposed subdivision is for infill housing. (Based on 03/17/2025 text)

Is Urgency: N

Is Fiscal: Y

Position: Watch

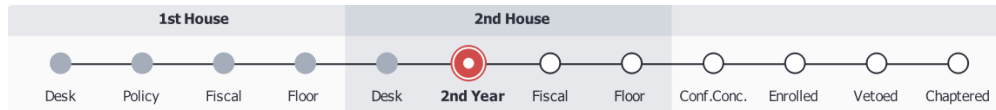
SB 331 (**Menjivar, D**) **Substance abuse.**

Current Text: 05/23/2025 - Amended **HTML PDF**

Introduced: 02/12/2025

Last Amended: 05/23/2025

Status: 07/17/2025 - Failed Deadline pursuant to Rule 61(a)(10). (Last location was HEALTH on 6/16/2025)(May be acted upon Jan 2026)



Location: 07/17/2025 - Assembly 2 YEAR

Summary: Under the Lanterman-Petris-Short (LPS) Act, when a person, as a result of a mental health disorder, is a danger to themselves or others, or is gravely disabled, the person may, upon probable cause, be taken into custody by specified individuals, including, among others, a peace officer and a designated member of a mobile crisis team, and placed in a facility designated by the county and approved by the State Department of Health Care Services for up to 72 hours for evaluation and treatment. For the purposes of these provisions, current law defines “gravely disabled” as a condition in which a person, as a result of a mental health disorder, a severe substance use disorder, or a co-occurring mental health disorder and a severe substance use disorder, is unable to provide for their basic personal needs for food, clothing, shelter, personal safety, or necessary medical care. This bill would include in the definition of “gravely disabled” for purposes of the above provisions an individual who is unable to provide for their basic personal needs due to chronic alcoholism, as defined. The bill would further define a “mental health disorder” as a condition outlined in the current edition of the Diagnostic and Statistical Manual of Mental Disorders. (Based on 05/23/2025 text)

Is Urgency: N

Is Fiscal: Y

Votes:

04/09/25 - **SEN. HEALTH** (Y:8 N:0 A:3) (P)

04/29/25 - **SEN. JUD.** (Y:10 N:0 A:3) (P)

05/12/25 - **SEN. APPR.** (Y:7 N:0 A:0) (P)

05/23/25 - **SEN. APPR.** (Y:5 N:0 A:2) (P)

06/04/25 - **SEN. Senate 3rd Reading** (Y:27 N:0 A:13) (P)

Position: Watch

SB 367

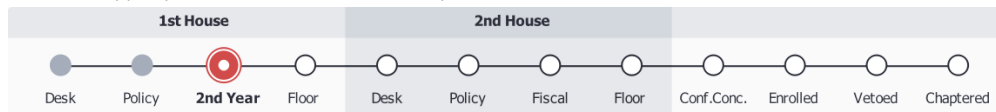
(Allen, D) Mental health.

Current Text: 05/01/2025 - Amended **HTML PDF**

Introduced: 02/13/2025

Last Amended: 05/01/2025

Status: 05/23/2025 - Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. SUSPENSE FILE on 5/12/2025)(May be acted upon Jan 2026)



Location: 05/23/2025 - Senate 2 YEAR

Summary: The Lanterman-Petris-Short (LPS) Act authorizes the involuntary commitment and treatment of persons with specified mental disorders. Under the act, when a person, as a result of a mental health disorder, is a danger to themselves or others, or is gravely disabled, the person may, upon probable cause, be taken into custody by specified individuals, including, among others, a peace officer and a designated member of a mobile crisis team, and placed in a facility designated by the county and approved by the State Department of Health Care Services for up to 72 hours for evaluation and treatment. Current law defines “assessment” for those purposes to mean the determination of whether a person shall be evaluated and treated. This bill would require an assessment to consider reasonably available, relevant information as specified. The bill would also authorize an assessment to be used to assist specified individuals in developing an aftercare plan for an individual, if that individual has agreed to an aftercare plan and can be properly served without being detained. (Based on 05/01/2025 text)

Is Urgency: N

Is Fiscal: Y

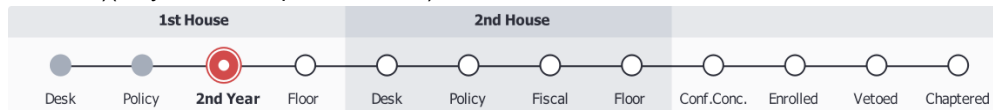
Votes:

04/09/25 - **SEN. HEALTH** (Y:11 N:0 A:0) (P)

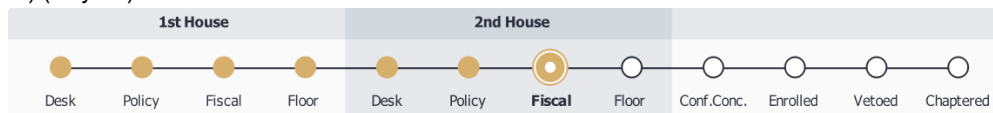
04/29/25 - **SEN. JUD.** (Y:12 N:1 A:0) (P)

05/12/25 - **SEN. APPR.** (Y:7 N:0 A:0) (P)

Position: Watch

SB 496**(Hurtado, D) Advanced Clean Fleets Regulation: appeals advisory committee: exemptions.****Current Text:** 04/07/2025 - Amended [HTML](#) [PDF](#)**Introduced:** 02/19/2025**Last Amended:** 04/07/2025**Status:** 05/23/2025 - Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. SUSPENSE FILE on 5/5/2025)(May be acted upon Jan 2026)**Location:** 05/23/2025 - Senate 2 YEAR

Summary: The California Global Warming Solutions Act of 2006 establishes the State Air Resources Board as the state agency responsible for monitoring and regulating sources emitting greenhouse gases and requires the state board to adopt rules and regulations to achieve the maximum technologically feasible and cost-effective greenhouse gas emission reductions from those sources. Pursuant to its authority, the state board has adopted the Advanced Clean Fleets Regulation, which imposes various requirements for transitioning local, state, and federal government fleets of medium- and heavy-duty trucks, other high-priority fleets of medium- and heavy-duty trucks, and drayage trucks to zero-emission vehicles. The Advanced Clean Fleets Regulation authorizes entities subject to the regulation to apply for exemptions from its requirements under certain circumstances. This bill would require the state board to establish the Advanced Clean Fleets Regulation Appeals Advisory Committee by an unspecified date for purposes of reviewing appeals of denied requests for exemptions from the requirements of the Advanced Clean Fleets Regulation. The bill would require the committee to include representatives of specified governmental and nongovernmental entities. The bill would require the committee to meet monthly and would require recordings of its meetings to be made publicly available on the state board's internet website. The bill would require the committee to consider, and make a recommendation on, an appeal of an exemption request denial no later than 60 days after the appeal is made. The bill would require specified information relating to the committee's consideration of an appeal to be made publicly available on the state board's internet website. (Based on 04/07/2025 text)

Is Urgency: N**Is Fiscal:** Y**Votes:**04/02/25 - **SEN. E.Q.** (Y:8 N:0 A:0) (P)04/22/25 - **SEN. TRANS.** (Y:15 N:0 A:0) (P)05/05/25 - **SEN. APPR.** (Y:7 N:0 A:0) (P)**Position:** Watch**SB 635****(Durazo, D) Food vendors and facilities: enforcement activities.****Current Text:** 05/29/2025 - Amended [HTML](#) [PDF](#)**Introduced:** 02/20/2025**Last Amended:** 05/29/2025**Status:** 07/16/2025 - Coauthors revised. From committee: Do pass and re-refer to Com. on APPR. (Ayes 7. Noes 0.) (July 15). Re-referred to Com. on APPR.**Location:** 07/16/2025 - Assembly Appropriations

Summary: Current law authorizes a local authority, as defined, to adopt a program to regulate sidewalk vendors if the program complies with specified standards. These standards include restricting the local authority from requiring a sidewalk vendor to operate within specific parts of the public right-of-way, except when that restriction is directly related to objective health, safety, or welfare concerns. A violation of these provisions is punishable only by an administrative fine, as specified. This bill would prohibit a local authority, except as otherwise required by federal law, from providing voluntary consent to an immigration enforcement agent to access, review, or obtain any of the local authority's records that include personally identifiable information of any sidewalk vendors in the jurisdiction without a subpoena or judicial warrant. The bill would also prohibit a local authority and its personnel from disclosing or providing in writing, verbally, or in any other manner personally identifiable information of any sidewalk vendor that is requested for purposes of immigration enforcement, except pursuant to a valid judicial warrant. (Based on 05/29/2025 text)

Is Urgency: N**Is Fiscal:** Y**Votes:**04/02/25 - **SEN. L. GOV.** (Y:5 N:2 A:0) (P)

04/29/25 - **SEN. PUB. S.** (Y:5 N:1 A:0) (P)
06/03/25 - **SEN. Senate 3rd Reading** (Y:28 N:10 A:2) (P)
07/02/25 - **ASM. L. GOV.** (Y:8 N:1 A:1) (P)
07/15/25 - **ASM. PUB. S.** (Y:7 N:0 A:2) (P)

Position: Watch

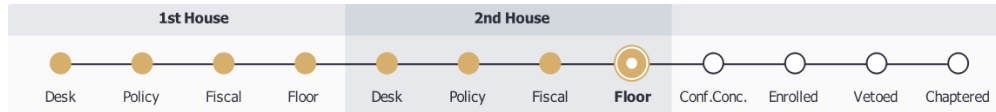
SB 650 (**Cabaldon, D**) **The Sacramento-San Joaquin Delta Reform Act of 2009.**

Current Text: 04/09/2025 - Amended [HTML](#) [PDF](#)

Introduced: 02/20/2025

Last Amended: 04/09/2025

Status: 07/17/2025 - Read second time. Ordered to consent calendar.



Location: 07/16/2025 - Assembly CONSENT CALENDAR

Summary: The Sacramento-San Joaquin Delta Reform Act of 2009 provides that it is the intent of the Legislature to provide for the sustainable management of the Sacramento-San Joaquin Delta ecosystem, to provide for a more reliable water supply for the state, to protect and enhance the quality of water supply from the Delta, as defined, and to establish a governance structure that will direct efforts across state agencies to develop a legally enforceable Delta Plan. This bill would make the provisions of the Delta Plan severable. (Based on 04/09/2025 text)

Is Urgency: N

Is Fiscal: Y

Votes:

04/08/25 - **SEN. N.R. & W.** (Y:6 N:0 A:1) (P)
04/29/25 - **SEN. JUD.** (Y:13 N:0 A:0) (P)
05/15/25 - **SEN. Consent Calendar 2nd** (Y:34 N:0 A:6) (P)
06/17/25 - **ASM. W., P. & W.** (Y:10 N:0 A:3) (P)
07/01/25 - **ASM. JUD.** (Y:12 N:0 A:0) (P)
07/16/25 - **ASM. APPR.** (Y:13 N:0 A:2) (P)

Position: Watch

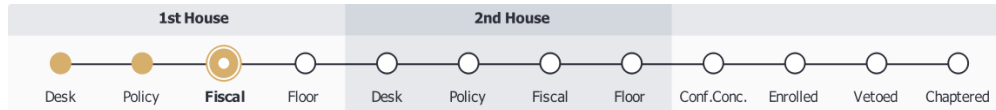
SB 789 (**Menjivar, D**) **Taxation: information returns: vacant commercial real property.**

Current Text: 04/30/2025 - Amended [HTML](#) [PDF](#)

Introduced: 02/21/2025

Last Amended: 04/30/2025

Status: 05/23/2025 - May 23 hearing: Held in committee and under submission.



Location: 05/12/2025 - Senate APPR. SUSPENSE FILE

Summary: Current statutory law, the Documentary Transfer Tax Act, authorizes the imposition of a tax by a county or city, as provided, with respect to specified instruments that transfer specified interests in real property. Current law establishes the California Department of Tax and Fee Administration for the purpose of administering various taxes. This bill would require a person, as defined, that owns commercial property, as defined, in this state to register with the department, as provided. The bill would require every person owning commercial real property in this state to file an information return each year by a date determined by the department, as provided. The bill would require the information return to include specified information, including, among other requirements, whether any buildings or portions of buildings were vacant in the previous calendar year. The bill would authorize extensions of the time for a person to file an information return under specified circumstances, including for good cause. The bill would impose on any person who fails or refuses to timely furnish a return required by its provisions a penalty of \$100 per commercial property that the person fails or refuses to timely furnish the information return. The bill would authorize the Director of Finance to make a loan from the General Fund to the department to implement those provisions, and would require any loan to be repaid from revenues from penalties imposed. (Based on 04/30/2025 text)

Is Urgency: N

Is Fiscal: Y

Votes:

04/23/25 - **SEN. REV. & TAX** (Y:3 N:1 A:1) (P)

Position: Watch

WATCH - Amendments Requested

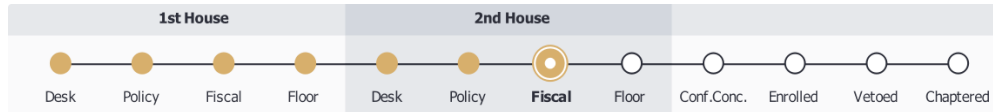
AB 1018 (**Bauer-Kahan, D**) Automated decision systems.

Current Text: 07/17/2025 - Amended [HTML](#) [PDF](#)

Introduced: 02/20/2025

Last Amended: 07/17/2025

Status: 07/17/2025 - Read second time and amended. Re-referred to Com. on APPR.



Location: 07/16/2025 - Senate Appropriations

Summary: The California Fair Employment and Housing Act establishes the Civil Rights Department within the Business, Consumer Services, and Housing Agency and requires the department to, among other things, bring civil actions to enforce the act. Current law requires, on or before September 1, 2024, the Department of Technology to conduct, in coordination with other interagency bodies as it deems appropriate, a comprehensive inventory of all high-risk automated decision systems that have been proposed for use, development, or procurement by, or are being used, developed, or procured by, any state agency. This bill would generally regulate the development and deployment of an automated decision system (ADS) used to make consequential decisions, as defined. The bill would define “automated decision system” to mean a computational process derived from machine learning, statistical modeling, data analytics, or artificial intelligence that issues simplified output, including a score, classification, or recommendation, that is designed or used to assist or replace human discretionary decisionmaking and materially impacts natural persons. (Based on 07/17/2025 text)

Is Urgency: N

Is Fiscal: Y

Votes:

04/22/25 - **ASM. P. & C.P.** (Y:9 N:3 A:3) (P)

04/29/25 - **ASM. JUD.** (Y:8 N:3 A:1) (P)

05/23/25 - **ASM. APPR.** (Y:10 N:3 A:2) (P)

06/02/25 - **ASM. THIRD READING** (Y:50 N:16 A:13) (P)

07/15/25 - **SEN. JUD.** (Y:11 N:2 A:0) (P)

Position: WATCH - Amendments Requested

WATCH - Recommended Position: Support

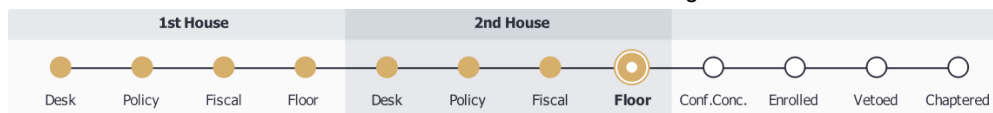
SB 346 (**Durazo, D**) Local agencies: transient occupancy taxes: short-term rental facilitator.

Current Text: 07/07/2025 - Amended [HTML](#) [PDF](#)

Introduced: 02/12/2025

Last Amended: 07/07/2025

Status: 07/17/2025 - Read second time. Ordered to third reading.



Location: 07/17/2025 - Assembly THIRD READING

Summary: Current law authorizes a local authority, by ordinance or resolution, to regulate the occupancy of a room or rooms, or other living space, in a hotel, inn, tourist home or house, motel, or other lodging for a period of less than 30 days. This bill would authorize a local agency, defined to mean a city, county, or city and county, to enact an ordinance to require a short-term rental facilitator, as defined, to report, in the form and manner prescribed by the local agency, the physical address, including 9-digit ZIP Code, of each short-term rental, as defined, during the reporting period. The bill would also authorize a local agency to request additional information, as provided, when the physical address is not sufficient for the local agency to identify a specific short-term rental. The bill would authorize the local agency to impose an administrative fine or penalty for failure to file the report, and would authorize the local agency to initiate an audit of a short-term rental facilitator, as described. The bill would require a short-term rental facilitator, in a jurisdiction that has adopted an ordinance, to include in the listing of a short-term rental any applicable local license number associated with the short-term rental and any transient occupancy tax certification issued by a local agency. (Based on 07/07/2025 text)

Is Urgency: N

Is Fiscal: N

Votes:

03/19/25 - **SEN. L. GOV.** (Y:7 N:0 A:0) (P)

05/06/25 - **SEN. JUD.** (Y:12 N:0 A:1) (P)

05/27/25 - **SEN. Senate 3rd Reading** (Y:38 N:0 A:2) (P)

07/02/25 - **ASM. L. GOV.** (Y:9 N:0 A:1) (P)

07/15/25 - **ASM. JUD.** (Y:11 N:0 A:1) (P)

Position: WATCH - Recommended Position: Support

Total Measures: 51

Total Tracking Forms: 51

WATCH - Recommended Position: Support

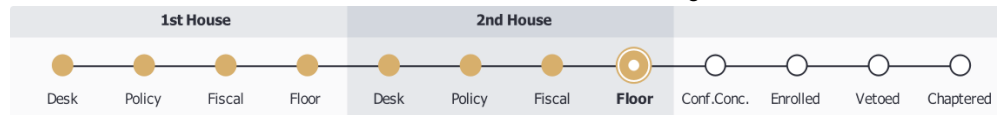
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Current Text: 07/07/2025 - Amended [HTML](#) [PDF](#)

Introduced: 02/12/2025

Last Amended: 07/07/2025

Status: 07/17/2025 - Read second time. Ordered to third reading.



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Is Urgency: N

Is Fiscal: N

Votes:

03/19/25 - **SEN. L. GOV.** (Y:7 N:0 A:0) (P)

05/06/25 - **SEN. JUD.** (Y:12 N:0 A:1) (P)

05/27/25 - **SEN. Senate 3rd Reading** (Y:38 N:0 A:2) (P)

07/02/25 - **ASM. L. GOV.** (Y:9 N:0 A:1) (P)

07/15/25 - **ASM. JUD.** (Y:11 N:0 A:1) (P)

Position: WATCH - Recommended Position: Support

Total Measures: 1

Total Tracking Forms: 1



CONTRA COSTA COUNTY

1025 ESCOBAR STREET
MARTINEZ, CA 94553

Staff Report

File #: 25-3049

Agenda Date: 7/28/2025

Agenda #: 5.

LEGISLATION COMMITTEE

Meeting Date: July 28, 2025

Subject: Major Impacts from Federal Reconciliation and the State Budget

Submitted For: Legislation Committee

Department: County Administrator's Office

Presenter: E. Struthers

Contact: (925) 655-2045

Referral History:

The Legislation Committee monitors and provides direction on federal and state budgetary, legislative, and regulatory matters of interest to the County. With the recent adoption of the State Budget and the enactment of the federal budget reconciliation bill, County staff are working to analyze fiscal and operational impacts to the County and those we serve.

Referral Update:

On July 4, 2025 President Trump signed the 2025 federal reconciliation bill, also known as H.R. 1 or the "One Big Beautiful Bill Act." H.R. 1 makes significant changes to federal expenditures (i.e. services and programs) and revenues (i.e. taxes) over the next ten years. The bill will have major ramifications for state and county budgets, particularly in California. Many provisions phase in, or out, over several years.

Many of the potential benefits to the American people are front-loaded within the ten-year window, meaning that they take effect immediately (during the 2025 tax year) and will expire before the ten-year window elapses. For example, the annual state and local tax (SALT) tax deduction cap will temporarily increase from \$10,000 to \$40,000, which is anticipated to have benefits for middle and high income homeowners. However, this increase will revert to \$10,000 after just four years. At the same time, many of the bill's harms phase in over time.

Some of the most potentially harmful federal policies that will take effect between 2026 to 2028 include:

- Limits on Medicaid State-Directed Payments
- Medicaid (Community Engagement) Work Requirements
- SNAP benefit cost sharing begins: 15% match expected for California
- Medicaid cost sharing begins for expansion population
- SNAP Administrative Cost Shift
- Provider Tax Restrictions (i.e. Prop 35 Managed Care Organization Tax)

Just days before H.R. 1 was signed into law, Governor Newsom approved the Legislature's Fiscal Year 25-26 State Budget. Independent of H.R. 1's passage, the State has taken actions to balance its annual budget. Several

cost-saving policies were enacted that will impact many of the same health and social safety net programs that serve low income people in Contra Costa County. Major State budget impacts of note include:

- Medi-Cal Asset Test Limits
- IHSS Asset Test Limits
- Enrollment Freeze for Full-Scope Medi-Cal Expansion to Undocumented Californians, Adults Ages 19 and Older
- Community First Choice Option Late Penalties for IHSS
- Elimination of Dental Benefits for Adults with Unsatisfactory Immigration Status, Ages 19 and Older
- Medi-Cal Premiums for Adults with Unsatisfactory Immigration Status, Ages 19-59

The State plans to hold an initial informational hearing on August 20 in Assembly Budget Subcommittee 7 to discuss further impacts from H.R. 1 on California's budget. The Legislature is expected to direct further legislative and budgetary actions related to the implementation of H.R. 1 over the next several years.

As part of this item, the Committee members are encouraged to share any information or perspectives from recent events and meetings on this topic, including the recent Annual Conference of the National Association of Counties (NACo). The Committee is also welcomed to provide direction to staff on upcoming public meetings related these topics, such as the August 8, 2025 Legislation Committee in-person meeting at 1025 Escobar Street.

Recommendation(s)/Next Step(s):

DISCUSS initial analysis of major impacts resulting from federal reconciliation (H.R. 1) and the state budget, and potential next steps for analysis and implementation.

Fiscal Impact (if any):

This item has no direct fiscal impact, however, the impacts of the state budget and federal budget reconciliation are very significant to County operations and services.

TRP SPECIAL REPORT: KEY PROVISIONS FOR LOCAL GOVERNMENTS IN THE FINAL BUDGET RECONCILIATION BILL

Moments ago, the House and Senate passed the final version of the budget reconciliation package, sending the nearly 900-page bill ([text](#)) to President Trump's desk for signature. The Senate approved the bill 51-50, while the House passed the final version 218 - 214. House GOP leadership successfully swayed more than a half dozen holdouts to support the bill's passage, with only Reps. Thomas Massie (R-KY) and Brian Fitzpatrick (R-PA) joining Democrats in opposing it. Among other things, the legislation increases the debt limit by \$5 trillion.

The bill includes a wide variety of provisions. These include the permanent renewal of the opportunity zone (OZ) program, enhancements to the Low-Income Housing Tax Credit (LIHTC), an increase to the limit on the State and Local Tax (SALT) deduction, and various changes to Medicaid and Supplemental Nutrition Assistance (SNAP) eligibility. Notably, the One Big Beautiful Bill does not include a provision limiting the ability of state and local governments to regulate artificial intelligence (AI) models and systems, which had previously been considered for inclusion in both chambers.

TRP has compiled an updated list of provisions in or out of the bill that are more relevant to public sector entities.

TABLE OF CONTENTS: KEY PROVISIONS

- [Municipal and Private Activity Bonds, AI, Opportunity Zones, LIHTC, and NMTC](#)
- [State and Local Tax Deductions and Child Tax Credit](#)
- [Medicaid and SNAP](#)
- [Environment and Energy](#)

MUNICIPAL AND PRIVATE ACTIVITY BONDS, AI, OPPORTUNITY ZONES, LIHTC, AND NMTC ([BACK TO TOP](#))

Municipal Bonds – The reconciliation bill does not alter the tax-exempt status of municipal bonds, which is a significant win for local governments. Elimination of the tax-exempt status was listed as a potential "pay-for" for the budget reconciliation bill earlier this year, making this exclusion significant.

Private Activity Bonds (PABs) – The bill does not modify the current tax status for Private Activity Bonds, which are a tax-exempt municipal bond used to finance projects benefiting private entities, such as businesses or non-profit organizations.

AI Moratorium – A provision in earlier versions of the House and Senate reconciliation proposals that would have prevented states or any U.S. political subdivisions from enforcing any law or regulation regulating AI models, systems, or automated decision systems for a 5- or 10-year period, has been removed and was not included in the final bill.

Sec. 70421: Permanent Renewal and Enhancement of Opportunity Zones – The bill creates a permanent Opportunity Zone (OZ) program, creating rolling, 10-year OZ designations beginning on January 1, 2027. The bill institutes a reporting requirement for the OZ program and narrows the definition of a "low-income community" to census tracts that have a poverty rate of at least 20 percent or a median family income of under 70 percent of the area median income. Additionally, the bill creates a new step-up basis for standard qualified opportunity funds (QOF) and qualified rural opportunity funds (QROFs) which would allow investors to receive a 10 percent basis step-up and a 30 percent basis step-up respectively after five years.

Sec. 70422: Permanent Enhancement of Low-Income Housing Tax Credit (LIHTC) – The legislation permanently increases LIHTC allocations by 12 percent, a previously temporary increase that had expired in 2021. Additionally, the law will require that a building must derive at least 25 percent – down from 50 percent under prior law – of its financing from tax-exempt bonds to receive a four-percent credit without first receiving a credit allocation from the State housing credit ceiling.

Sec. 70423: Permanent Extension of New Market Tax Credits (NMTC) – The bill permanently extends the NMTC program, which would otherwise expire on December 31, 2025.

STATE AND LOCAL TAX DEDUCTIONS AND CHILD TAX CREDIT ([BACK TO TOP](#))

Sec. 70120: Limitation on Individual Deductions for Certain State and Local Taxes (State and Local Tax Deductions) – The bill raises the State and Local Tax (SALT) Deduction from \$10,000 to \$40,000, with an income limitation of \$500,000. The cap and income limit will increase by 1 percent yearly through 2029 – however, the limit will revert to \$10,000 in 2030.

Sec. 70104: Child Tax Credit (CTC) – The bill permanently increases the CTC to \$2,200, indexing the credit amount to inflation. Additionally, the bill requires both parents and all children in the family to be U.S. citizens with valid social security numbers to meet the eligibility criteria.

MEDICAID AND SNAP ([BACK TO TOP](#))

As expected, the legislation includes significant Medicaid reforms, including a range of provisions aimed at reducing federal spending by tightening program eligibility. This is anticipated to lead to fewer individuals participating in the program.

Sec. 71109: Undocumented Immigrant Medicaid Eligibility - The bill narrows the scope of Medicaid and Children's Health Insurance Program (CHIP) eligibility for immigrants and prohibits

federal financial participation for such payments beginning October 1, 2026, unless the individual is a resident of one of the 50 states, the District of Columbia, or a U.S. territory, and: (1) a citizen or national of the U.S.; (2) undocumented immigrants who are lawfully admitted for permanent residence under the Immigration and Nationality Act, excluding undocumented visitors, tourists, diplomats, and certain foreign students; (3) certain undocumented immigrants who have been granted the status of Cuban and Haitian entrant, or (4) an individual who is lawfully residing under the Compacts of Free Association (COFA).

Sec. 71120: Cost-Sharing Requirements for Medicaid Expansion Individuals – Under current law, states may opt to charge premiums and establish nominal out-of-pocket cost sharing requirements for certain Medicaid enrollees. While states can impose higher cost-sharing for targeted groups, certain populations — including children and pregnant women — are currently exempt from most out-of-pocket costs.

Beginning October 1, 2028, this new law will require states to impose cost-sharing for covered services for Medicaid expansion enrollees with family incomes exceeding 100 percent of the federal poverty line. Cost sharing is limited to \$35 and the total aggregate amount of cost sharing that a state may impose for all individuals in the family may not exceed five percent of the family income.

However, the bill specifies that states may not impose any cost-sharing requirements with respect to: (1) any pregnancy-related services, including tobacco cessation; (2) services furnished to an individual who is an inpatient in a hospital, nursing facility, or other institutions who must contribute all of their income toward the cost of their care; (3) emergency services; (4) family planning services; (5) services furnished to an individual who is receiving hospice care; and (6) the administration of vaccines. Under this bill, states must not also impose any cost-sharing requirements for certain primary care services, mental health care services, substance use disorder services, or services furnished in FQHCs, certified community behavioral health clinics, or rural health clinics.

Sec. 71115: Provider Taxes - Beginning October 1, 2026, of the bill establishes a hold harmless threshold of zero percent for any state that has not enacted and imposed a provider tax on a class of providers, effectively “freezing” the current provider tax structure a state has upon enactment. Additionally, the legislation modifies the “hold harmless” standard for health care-related provider taxes under Medicaid, which limits how much states can tax providers without triggering federal penalties. Currently capped at 6 percent, the bill phases down the threshold for expansion states beginning October 1, 2026, to 3.5 percent by FY 2032, while preserving the 6 percent cap for non-expansion states. As provider taxes are used by states to assist with their share of Medicaid financing, this may result in financing gaps.

Sec. 71401: Rural Health Transformation Program – The bill creates a Rural Health Transformation Program offering \$50 billion in funding from FY 2028 to FY 2032 to rural hospitals.

Subtitle A, Sec. 10101 – 10108: Supplemental Nutrition Assistance Program (SNAP) – The bill reduces funding for SNAP by limiting future increases to the cost of the Thrifty Food Plan, the basis

for SNAP, and requiring states to pay for part of the cost of SNAP benefits based on each states' payment error rates. States with payment error rates higher than six percent will be required to contribute up to 15 percent towards SNAP starting in fiscal year 2028. Meanwhile, the federal share of SNAP administrative costs will be reduced from 50 percent to 25 percent beginning in FY 2027.

Additionally, the legislation makes changes to the SNAP work requirement. Under current law, the requirement applies to individuals aged 18-54, with an exception for individuals taking care of a dependent child under the age of 18. However, the bill increases the age of those subject to the work requirement to 64 and lowers the exemption age of dependent children to under 14.

Finally, energy assistance rules are tightened, allowing households to automatically qualify for standard utility allowances or income exclusions only if they contain elderly or disabled members.

ENVIRONMENT AND ENERGY ([BACK TO TOP](#))

Sec. 60026: Project Sponsor Opt-In Fees for Environmental Reviews - The legislation reforms permitting to accelerate approval by allowing project sponsors to pay a user fee of 125 percent of the expected cost of environmental review in exchange for expedited permitting timelines limited to one-year.

Sec 50402: Rescission of Inflation Reduction Act (IRA) funded EPA and DOE Programs -

The bill rescinds unobligated funds (although it does not deauthorize the programs) for many IRA funded EPA programs, including:

- Sec. 60001: Funding for Clean Heavy-Duty Vehicles.
- Sec. 60002: Repeal of Greenhouse Gas Reduction Fund — also known as the “Green Bank” program, with \$27 billion in IRA funding intended to mobilize private capital toward clean energy and climate projects.
- Sec. 60003: Funding for Diesel Emissions Reductions.
- Sec. 60004: Funding to Address Air Pollution — to improve air monitoring infrastructure.
- Sec. 60005: Funding to Address Air Pollution at Schools.
- Sec. 60006: Low Emissions Electricity Program.
- Sec. 60013 Funding for Greenhouse Gas Air Pollution Plans and Implementation Grants — for the development and implementation of “Climate Pollution Reduction Grants.”
- Sec. 60016: Environmental and Climate Justice Block Grants.

As it pertains to the energy provisions, the reconciliation bill includes broad rescissions of unobligated funds provided under the IRA, targeting a range of Department of Energy (DOE) programs.

Sec. 50402: Repeals; Recissions - The bill rescinds unobligated funds from several IRA energy-related programs, including:

- State-Based Energy Efficiency Training Grants.
- DOE's Loan Programs Office (LPO) — originally meant to cover the cost of credit subsidies associated with loan guarantees for “unproven” energy technologies.
- Energy Infrastructure Reinvestment Financing.
- Tribal Energy Loan Guarantee Program.
- Transmission Facility Financing.
- Grants to Facilitate the Siting of Interstate Electricity Transmission Lines.
- Interregional and Offshore Wind Electricity Transmission Planning, Modeling, and Analysis.
- Advanced Industrial Facilities Deployment Program.

Chapter 5, Subchapter A: The bill eliminates several IRA energy-related tax credits, including:

- 45V Clean Hydrogen PTC – terminates the credit for projects that begin construction after 2027.
- 45Y Clean Electricity Production Credit & 48E Clean Energy Investment Credits – phases out production and investment tax credits for wind and solar facilities. The provisions allow wind and solar facilities to obtain the credits if construction begins within one year of the bill's enactment, but projects that begin construction after that date must be placed into service before the end of 2027 to qualify for the credits. The provisions delay phase outs for geothermal and nuclear power facilities that begin construction by 2033, with facilities receiving 100 percent of the credit in 2033, 75 percent in 2034, 50 percent in 2035, and 0 percent in 2036.
- 30D Clean Vehicles Tax Credit – terminates the consumer credit for the purchase of certain electric vehicles acquired after Sept. 30, 2025.
- 45W Commercial Clean Vehicles Tax Credit – terminates the credit for the purchase of commercial electric vehicles acquired after Sept. 30, 2025.
- 25D Residential Clean Energy Credit – terminates the tax credit for homeowners installing residential solar panels, solar water heaters, wind turbines, geothermal heat pumps, or battery storage is terminated for expenditures made after Dec. 31, 2025.
25E Used Clean Vehicles Tax Credit - This consumer credit for the purchase of used electric vehicles is terminated for vehicles acquired after Sept. 30, 2025.
- 30C Alternative Refueling Property Tax Credit – The tax credit for the installation of electric vehicle charging stations or other alternative fuel refueling property (e.g. hydrogen fueling) is terminated for property placed in service after June 20, 2026.
- 25C Energy Efficiency Home Improvement Credit – The tax credit for energy efficient home upgrades (insulation, windows, doors, HVAC, etc.) up to \$1,200 per year (30% of qualified improvement costs, with specific item caps) is terminated for property placed in service after Dec. 31, 2025.

Sec. 50303: Renewable Energy Revenue Sharing – The Senate bill allows counties to receive 25 percent of revenue from wind and solar energy projects that take place on federal lands.

KEY HEALTH CARE PROVISIONS IN THE FINAL RECONCILIATION PACKAGE

EXECUTIVE SUMMARY

On July 3, House Republicans voted to pass the One Big Beautiful Bill Act ([H.R. 1](#)), sending the bill to President Donald Trump's desk for signature and bringing Congress' months-long reconciliation process to a close. GOP leadership successfully swayed more than a half dozen holdouts to support the bill's passage, with only Reps. Thomas Massie (R-KY) and Brian Fitzpatrick (R-PA) joining Democrats in opposing it.

The GOP's bill enacts the largest cuts to federal health care spending in history and the most sweeping industry changes since the 2010 passage of the Affordable Care Act (ACA), particularly to the Medicaid program. It imposes, for the first time, nationwide community engagement requirements for able-bodied individuals to maintain Medicaid coverage, lowers the cap on provider taxes to 3.5 percent in expansion states, tightens renewal and eligibility checks, shortens eligibility look-back periods, and introduces cost-sharing for expansion enrollees above 100 percent of the federal poverty level (FPL). After several Republicans voiced concerns about the size of the Medicaid cuts, the bill also includes a \$50 billion rural health fund.

Beyond Medicaid, the legislation exempts orphan drugs from Medicare negotiation and provides a one-time, 2.5 percent bump to Medicare physician payment next year. It also tightens ACA enrollment and premium tax credit (PTC) requirements — by imposing stricter immigration limits, enhancing eligibility verifications, and adjusting credit eligibility for special enrollment period (SEP) sign-ups — and permanently allows high-deductible plans to cover telehealth services before the deductible is met while preserving health savings account (HSA) contribution eligibility.

This special report provides a comprehensive summary of every health care provision included in the final reconciliation package. The Congressional Budget Office (CBO) has not yet scored the final text, however its most [recent analysis](#) of an earlier Senate draft projected that nearly 12 million people would lose coverage as a result of the bill's health care provisions. Provisions that remain unchanged carry forward the same estimates, while revised measures await a formal CBO score. For a detailed comparison of the final bill against prior versions and current law — complete with CBO's ten-year spending and revenue projections — see TRP's [side-by-side analysis](#) from July 1.

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REDUCING FRAUD AND IMPROVING ENROLLMENT PROCESSES

Prohibition on Medicaid and CHIP Eligibility and Enrollment Rule — Sections 71101 and 71102 of the bill delays the implementation of CMS' two-part final rule ([September 2023](#); [March 2024](#)) updating eligibility determination, enrollment, and renewal processes for Medicaid and CHIP. Policies finalized under the rules sought to streamline the Medicaid application process and simplify enrollment for eligible individuals who may otherwise opt out of the program as a result of the burdensome application process. The bill delays implementation until September 30, 2034, and appropriates \$1,000,00 to CMS for FY 2026 to carry out the provisions of these two sections, with the funds remaining available until expended.

Reducing Duplicate Enrollment Under the Medicaid and CHIP Programs — Under section 71103, all 50 states and the District of Columbia will be required to take steps to prevent individuals from being simultaneously enrolled in Medicaid and CHIP programs across multiple States. By January 1, 2027, the bill requires States to establish a process for regularly obtaining enrollees' address information using reliable data sources such as USPS records and managed care entities. By October 1, 2029, States must also begin submitting enrollee data — such as Social Security numbers and other information deemed necessary by the Secretary — on a monthly basis to a new federal system designed to detect duplicate enrollment. States will be required to act on matches identified by the system and disenroll individuals who no longer reside in the State, unless an exception applies.

The bill also directs the Secretary to establish a federal system to receive enrollee data from States and notify them of potential matches indicating duplicate enrollment. The bill provides \$30 million — \$10 million for fiscal year (FY) 2026 for the purposes of establishing the system and standards and \$20 million for FY 2029 for the purposes of maintaining such system — in implementation funding and includes conforming requirements for Medicaid managed care plans and CHIP.

Unenrollment of Deceased Individuals — Section 71104 of the bill requires States and the District of Columbia to, beginning January 1, 2027, review the Death Master File on at least a quarterly basis to determine if any individuals enrolled in the State Medicaid program are deceased. In the event that a

State determines that an individual enrolled for Medicaid is deceased, the State will be required to disenroll the individual from Medicaid and discontinue any Medicaid payments made on behalf of the deceased individual after the death of the individual. Under this provision, a State must immediately reenroll an individual, retroactive to the date of disenrollment, who the State determines was misidentified as deceased. Notably, the requirements under this section do not apply to the U.S. territories.

Medicaid Provider Screening Requirements — Section 71105 requires States to, at the time of enrollment or reenrollment, as well as on a quarterly basis, check the Death Master File to determine whether a Medicaid provider is deceased. States will be required to implement these changes beginning January 1, 2028.

Payment Reduction Related to Certain Erroneous Excess Payments Under Medicaid — As part of the Medicaid Eligibility Quality Control Program, the Secretary may not make payments to a State with respect to the portion of any erroneous payments made on behalf of ineligible persons or any overpayments that exceeds a three percent error rate. As a result, States exceeding the three percent error rate payment threshold may face a disallowance of federal funding unless the State can demonstrate a “good faith” effort to meet the threshold.

Section 71106 of the bill places a limit on the amount of the reduction in federal financial participation (FFP) the Secretary may waive in instances in which a State demonstrates a good faith effort to meet the three percent error rate threshold. Under this provision, the Secretary may not waive, for States that do not meet the threshold, a reduction in FFP greater than an amount equal to the reduction originally required minus the sum of any erroneous payments made with respect to ineligible individuals and families and payments for items and services furnished to an eligible individual who is not eligible for the items and services that were provided. The bill defines erroneous excess payments to include payments where insufficient information is available to confirm eligibility. This provision applies the three percent error rate threshold to any audit conducted by the Secretary and comes into effect beginning in fiscal year 2030.

Eligibility Redeterminations Frequency — Under current law, states are generally not permitted to redetermine Medicaid eligibility for the expansion population — adults aged 19 to 64 who have incomes less than 138 percent of the Federal Poverty Level — more than once every 12 months. Section 77107 of the legislation would amend these requirements and, beginning on December 31, 2026, require states to conduct eligibility redeterminations for the expansion population every six months. However, this six-month redetermination requirement does not apply for individuals who are an Indian or an Urban Indian, a California Indian, or who has otherwise been determined eligible as an Indian for the Indian Health Service. Furthermore, these requirements only apply to the 50 states and the District of Columbia. The bill directs CMS to issue guidance related to the implementation of this policy within 180 days of enactment of this bill and appropriates \$76 billion to the agency for FY 2026 to carry out this provision, with the funds remaining available until expended.

Home Equity Limit — Generally, under current law, an individual is not eligible for Medicaid long-term services and supports if their financial assets reach a certain threshold, often determined by the State. However, the value of an individual's primary residence is not counted as an asset unless the individual's home equity interest exceeds \$500,000 adjusted for inflation. For 2025, the federal floor for an individual's home equity interest is \$730,000. Section 71108 of the bill allows states to apply different requirements for homes located on lots zoned for agricultural use and would otherwise cap a state's ability to apply a home equity disregard for primary residences exceeding \$1,000,000 in value. Notably, states will also be prohibited from applying asset disregards to waive home equity limits. The amendments made under this section will apply beginning January 1, 2028.

Medicaid Eligibility for Qualified Aliens — Under current law, certain qualified non-citizens are permitted Medicaid coverage after the first five years of U.S. residency, provided they meet other conditions of Medicaid eligibility. Section 71109 of the bill narrows the scope of Medicaid and CHIP eligibility for immigrants and prohibits federal financial participation for such payments beginning October 1, 2026, unless the individual is a resident of 1 of the 50 states, the District of Columbia, or a U.S. territory, and: (1) a citizen or national of the U.S.; (2) an alien who is lawfully admitted for permanent residence under the Immigration and Nationality Act, excluding alien visitors, tourists, diplomats, and certain foreign students; (3) certain aliens who have been granted the status of Cuban and Haitian entrant, or (4) an individual who is lawfully residing under the Compacts of Free Association (COFA).

The bill appropriates \$15 million to CMS for FY 2026 to carry out the provisions of this section, with the funds remaining available until expended.

Expansion FMAP for Emergency Medicaid — Current law requires states to provide Medicaid coverage to non-permanent resident aliens and other non-citizens for emergency medical services, commonly referred to as "emergency Medicaid." Such individuals may qualify for emergency Medicaid so long as they would otherwise be eligible for Medicaid if not for their immigration status. Section 71110 of the bill narrows emergency Medicaid by limiting the FMAP of emergency Medicaid services to no more than a State's traditional FMAP, preventing States from claiming the 90 percent FMAP for emergency services provided to non-permanent resident aliens who would qualify for Medicaid under expansion.

The bill appropriates \$1 million to CMS for FY 2026 to carry out the provisions of this section, with the funds remaining available until expended.

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PREVENTING WASTEFUL SPENDING

Prohibition on Nursing Home Staffing Standard Rule — Section 71111 delays the implementation and enforcement of CMS' [Nursing Home Staffing Standard rule](#) until September 30, 2034. The policies described in this rule would institute minimum staffing standards for long-term care (LTC) facilities

as well as reporting requirements for states on Medicaid payments for the compensation of direct care workers and support staff at certain institutions.

Retroactive Coverage — Section 71112 shortens the Medicaid eligibility lookback period, with some flexibility for non-expansion populations. Under current law, individuals enrolled in Medicaid may receive retroactive coverage of services that would have otherwise been covered under the program for up to three months prior to the individual's application date, provided that the individual would have been eligible for Medicaid during that time. The bill limits this retroactive coverage to one month for the expansion population and two months for all other groups. It also limits retroactive CHIP coverage to one month prior to application. This provision would be effective on or after the first day of the first quarter that begins after December 31, 2026.

Entities Providing Abortion Services — For one year after enactment of the bill, section 71113 of the bill prohibits Medicaid funds from being paid to providers that: (1) are considered 501(c)(3) organizations and essential community providers, as described under section 156.235 of title 45 CFR, that provide abortion services outside of Hyde Amendment exceptions; and (2) received Medicaid payments exceeding \$800,000 in 2023. The bill provides entities with some time to adjust operations before the funding restriction takes effect, delaying the determination of a "prohibited entity" to the first day of the calendar quarter following the date of enactment. The bill appropriates \$1 million to CMS for FY 2026 to carry out the provisions of this section, with funds remaining available until expended.

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STOPPING ABUSIVE FINANCING PRACTICES

Sunsetting Increased FMAP for New Expansion States — Under the American Rescue Plan Act, enacted on March 11, 2021, states were provided an additional five percentage point increase, in addition to the 90 percent FMAP, to their regular federal matching rate for eight quarters after Medicaid expansion takes effect in the state. The purpose of this enhanced FMAP was to encourage states to expand Medicaid if they have not yet done so. Both North Carolina and South Dakota have expanded their Medicaid programs since the enactment of this law. Section 71114 of the bill sunsets this enhanced match starting on January 1, 2026.

Provider Taxes — Beginning October 1, 2026, section 71115 of the bill establishes a hold harmless threshold of zero percent for any state that has not enacted and imposed a provider tax on a class of providers, effectively "freezing" the current provider tax structure a state has upon enactment.

Additionally, the legislation modifies the "hold harmless" standard for health care-related provider taxes under Medicaid, which limits how much states can tax providers without triggering federal penalties. Currently capped at 6 percent, the bill phases down the threshold for expansion states beginning October 1, 2026, to 3.5 percent by FY 2032, while preserving the 6 percent cap for non-expansion states. Beginning with FY 2028, the threshold will be 5.5 percent with a 0.5 reduction in

the threshold each fiscal year thereafter until FY 2032, where it will remain at 3.5 percent for subsequent years. Notably, the bill does not impact the hold harmless threshold for provider taxes states impose for nursing facility or intermediate care facility services so long as the tax is in effect as of October 1, 2026 and within the hold harmless threshold. These provisions only apply to the 50 States and the District of Columbia, therefore excluding the application of this section to the U.S. territories.

The bill provides \$20 million to CMS for implementation, with funds remaining available until expended.

Payment Limit for Certain State Directed Payments — Under the 2024 Medicaid managed care [rule](#), CMS finalized the average commercial rate as the upper payment limit on the amount of directed payments that a state can make for hospital services, professional services at academic medical centers, and nursing facility services. Notably, the average commercial rate is often higher than the amount Medicare would have paid for the same service.

Section 71116 of the bill directs HHS to revise the Medicaid managed care regulations so that state-directed payments to providers in Medicaid expansion states cannot exceed 100 percent of the published Medicare payment rate for a given service, while non-expansion states would be permitted to go up to 110 percent. When no published rate exists, the bill calls for an equivalent payment under the Medicaid State Plan.

The bill would also grandfather certain directed payments and payments to rural hospitals for which written prior approval by CMS (or a good faith effort to receive such approval) was made before May 1, 2025, for the rating period occurring within 180 days of enactment of the bill. Starting January 1, 2028, the grandfathered directed payments would be phased down by 10 percentage points annually until they meet the applicable cap. Notably, the bill permits state directed payments for rating periods for which a completed preprint was submitted to the Secretary prior to the date of enactment of this Act to also be included in the grandfathered provisions described above. The section appropriates \$7 million per year from FY 2026 to FY 2033 to support implementation.

This provision defines rural hospitals to include: (1) hospitals located in rural area; (2) hospitals treated as being in a rural area; (3) hospitals located in a rural census tract of a metropolitan statistical area; (4) a critical access hospital; (5) a sole community hospital; (6) a Medicare-dependent, small rural hospital; (7) a low-volume hospital; and (8) a rural emergency hospital.

Waiver of Uniform Medicaid Provider Tax Requirement — Under current law, states are permitted to impose provider taxes on health care providers to help finance the non-federal share of Medicaid spending. Federal law and regulations set strict requirements on these taxes to prevent states from using them to inappropriately leverage federal matching funds. Specifically, provider taxes must be broad-based, meaning they apply to all providers within a specified class (such as all hospitals or all nursing facilities), and uniform, meaning the tax rate must be the same for all providers within that class. Additionally, “hold harmless” requirements prohibit states from directly or indirectly

guaranteeing that providers will get back the tax amounts they pay, such as through increased Medicaid payments or other mechanisms that offset the tax. States may seek waivers from CMS of the broad-based or uniform requirements and CMS applies specific statistical tests to ensure that the health care-related tax is “generally redistributive.”

Section 71117 of the bill would limit a state’s ability to obtain waivers from the uniform tax requirement for Medicaid provider taxes. Specifically, this section will prohibit waivers for tax structures that impose lower rates on providers with less Medicaid volume, or higher rates to those with more. The section includes definitions for “Medicaid taxable unit,” “non-Medicaid taxable unit,” and “tax rate group” to help identify impermissible structures and makes clear that attempts to achieve the same effect through indirect language is also prohibited, effectively closing any loopholes to the restriction. These changes would take effect immediately upon the bill’s enactment, with a transition period of up to three fiscal years at the Secretary’s discretion. This provision only applies to the 50 States and the District of Columbia.

On May 12, CMS issued a [proposed rule \(TRP summary\)](#) that is nearly identical to this section. Notably, the proposed rule includes a more aggressive transition period for states. Should CMS finalize the rule in its current form, only states who are out of compliance with this provision who have not received the most recent approval of a waiver of the broad based or uniformity requirements within the past two years will receive a transition period. States with more recent waiver approvals will not be provided with a transition period. CMS is still soliciting comments on the proposed rule, which are due by July 14.

Budget Neutrality for Section 1115 Demonstration Projects — Although not specifically required under federal statute, long-standing CMS policy requires section 1115 waivers to be “budget neutral” to the federal government over the course of the waiver. Section 71118 of the bill codifies this policy into federal statute and mandates that all new, renewed, or amended Medicaid demonstration projects be budget neutral. The bill clarifies that expenditures for services or populations that could otherwise be covered under the State plan — including those provided at different sites of service — will be treated as baseline expenditures, helping states demonstrate that their demonstrations do not increase overall Medicaid spending.

If the Secretary concludes that a project would result in federal savings, the Secretary must establish a methodology for how those savings will be accounted for in future approval periods. Additionally, the bill provides \$5 million in each of FYs 2026 and 2027 for implementation.

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PERSONAL ACCOUNTABILITY: COMMUNITY ENGAGEMENT REQUIREMENTS

Section 71119 of the bill establishes community engagement requirements for certain individuals as a condition of enrolling in or maintaining Medicaid eligibility. Beginning the first day of the first quarter that begins after December 31, 2026, States must require that certain individuals have

demonstrated compliance with community engagement activities as a condition of receiving Medicaid coverage.

Notably, this provision requires that, prior to enrollment in the Medicaid program, individuals who have filed an application for Medicaid coverage demonstrate compliance with community engagement requirements for one or more, but not more than three, (as determined by the State) consecutive months immediately preceding the month in which the individual applies for Medicaid coverage. For individuals already enrolled in the Medicaid program, the individual must demonstrate compliance with community engagement requirements for at least one or more months (as determined by the state) during the period between the individual's most recent eligibility determination and the individual's next regularly scheduled redetermination. The legislation also prohibits these requirements from being waived under section 1115 authority.

Individuals subject to community engagement requirements — States may only impose community engagement requirements on an individual who is: (1) aged 19-64, who is not pregnant, not eligible for or enrolled in Medicare, and not eligible for Medicaid under other mandatory groups; or (2) who is otherwise eligible to enroll in Medicaid under a waiver of the State plan that provides coverage equivalent to minimum essential coverage and who is aged 19-64, not pregnant, not eligible for or enrolled in Medicare, and is not otherwise eligible to enroll under the state plan or waiver.

This provision also excludes certain specified individuals from community engagement requirements, including an individual who is:

- Former foster youth up to age 26;
- Indian or an Urban Indian;
- California Indians;
- Otherwise determined eligible as an Indian for the Indian Health Service;
- Parent, guardian, or caretaker relative of a disabled individual or dependent child under the age of 13;
- Medically frail or otherwise has special medical needs;
- Compliant with any requirements under the SNAP program or is a member of a household that receives SNAP and is not exempt from work requirements;
- Participating in a drug addiction or alcoholic treatment and rehabilitation program;
- Inmates of a public institution; or
- Individuals who are pregnant or entitled to postpartum medical assistance.

For the purposes of the community engagement requirements, individuals are deemed to be medically frail if they: (1) are blind or disabled; (2) have a substance use disorder; (3) have a disabling mental disorder; (4) have a physical, intellectual, or developmental disorder that significantly impairs the ability to perform one or more activities of daily living; (5) have a serious and complex medical condition; or (6) have any other medical condition identified by the State (subject to the approval of the Secretary).

Activities that qualify as community engagement — Under this provision, an individual is deemed to be compliant with community engagement requirements for one month, as determined in accordance to criteria established by the Secretary through rulemaking, if the individual: (1) works at least 80 hours; (2) completes at least 80 hours of community service; (3) participates in a work program for at least 80 hours; (4) is enrolled in an educational program for at least 40 hours; (5) engages in any combination of these activities for at least 80 hours; (6) the individual has a monthly income that is not less than \$580 (the applicable minimum wage requirement multiplied by 80 hours); or (7) the individual that is a seasonal worker who had an average monthly income over the preceding 6 months that is not less than \$580 (the applicable minimum wage requirement multiplied by 80 hours).

Notably, the bill provides both mandatory and optional exemptions from community engagement requirements.

- **Mandatory exception** — Specifically, the state must deem an individual as having demonstrated compliance with community engagement requirements, and may elect to not require an individual to verify such information, for a month if, for all or part of the month, the individual was a member of an excluded group (as described above) or if the individual was under the age of 19, was entitled to, or enrolled in Medicare, or is an individual who is described in sections 1902(a)(10)(A)(i)(I) through (VII). States must also provide and deem a beneficiary as compliant with community engagement requirements for a month if the individual was an inmate of a public institution at any point during the three-month period ending on the first day of such month.
- **Optional short-term hardship exception** — A state may provide, through its state plan or a waiver of the state plan, an exception to community engagement requirements if an individual experiences a short-term hardship event during the month. For the purposes of this section, a short-term hardship event has taken place if:
 - the individual received inpatient hospital services, nursing facility services, services in an intermediate care facility for individuals with intellectual disabilities, inpatient psychiatric hospital services, or other services of similar acuity (including outpatient care relating to other services) deemed appropriate by the Secretary of HHS;
 - the individual resides in a county in which there exists an emergency or disaster declared by the President or the unemployment rate of the State is at or above the lesser of eight percent or 1.5 times the national unemployment rate; or
 - the individual must travel outside of their community for an extended period of time to receive medical services to treat a serious or complex medical condition that are not available within the individual's community. Per the text, the individual must submit a request to the state in order to utilize this optional exception.

Notably, an individual would not need to request the optional short-term hardship exemption, if offered by the state, for instances in which the individual resides in a county in which there exists an emergency or disaster declared by the President or the unemployment rate of the state is at or above the lesser of eight percent or 1.5 times the national unemployment rate.

Verifications of compliance with community engagement requirements — The legislation requires states to verify, in a manner determined by the Secretary, that an individual receiving Medicaid under the state plan or a waiver of such plan has met the community engagement requirements during the individual's regularly scheduled redetermination of eligibility. Notably, states have the option to provide for more regular verifications of compliance with community engagement requirements. Furthermore, the legislation would require states to establish a process and use reliable information available to the state, such as payroll data, without requiring the applicable individual to submit additional information to verify compliance with community engagement requirements.

In the instance a state is unable to verify that an individual has met the community engagement requirements, the state would be required to provide the individual with a notice of noncompliance and provide the individual with 30 calendar days, beginning on the date the notice of noncompliance is received, to make a satisfactory showing of compliance with the requirements or make a satisfactory showing to the state that such community engagement requirements do not apply to the individual. If the individual is currently enrolled in the Medicaid program, the state must continue to provide Medicaid coverage during the 30-calendar day period. If the individual does not provide a satisfactory showing of compliance to the state and the individual is not exempt from the requirements, the state must deny the application for Medicaid or disenroll the individual from the plan at the end of the month following the month in which the 30-calendar-day period ends so long as the state determines whether there is any other basis for Medicaid eligibility or another insurance program and the individual is provided written notice and granted an opportunity for a fair hearing before being disenrolled from Medicaid. Notably, individuals who are disenrolled from Medicaid as a result of noncompliance with community engagement requirements may not be eligible for premium tax credit subsidies under the ACA.

Outreach — Under this provision, states are required to notify individuals enrolled under the Medicaid state plan of the community engagement requirements, beginning December 31, 2026. Notably, this notice must include information on how to comply with the requirements, an explanation of the exceptions to the requirements, the consequences of noncompliance, and how to report to the state any change in the individual's status that could result in the applicability of a short-term hardship or that the individual qualifies for an exclusion to the community engagement activities. The outreach must be delivered by regular mail and in one or more additional forms, including telephone, text message, or internet website.

Special Implementation Rule — The bill provides the Secretary with the authority to exempt a state from compliance with community engagement requirements if: (1) the state submits a request to the Secretary for the exemption, and (2) the Secretary determines that the state is demonstrating a good faith effort to comply with the requirements. In determining whether a State is demonstrating a good faith effort, the Secretary must consider any actions taken by the state toward compliance, any significant barriers to or challenges in meeting the requirements (such as funding, design, development, procurement, or installation of necessary system resources), the state's plan and

timeline for achieving full compliance with such requirements, and any other criteria determined appropriate by the Secretary.

States that receive an exemption described above must provide quarterly progress reports to the Secretary on the state's status in achieving any milestones toward compliance as well as information on specific risks or new barriers to full compliance.

Notably, if a state receives an exemption from implementing community engagement requirements, such exemption will expire by December 31, 2028. However, the Secretary may terminate the exemption early if the Secretary has determined that the state has failed to comply with reporting requirements or if the state has failed to make continued good faith efforts towards compliance.

Conflicts of Interest — The legislation also prohibits states from using a Medicaid managed care entity or other specified entity, or other contractor to determine beneficiary compliance with community engagement requirements unless the contractor has no direct or indirect financial relationship with any Medicaid managed care entity that is responsible for providing or arranging for coverage of Medicaid.

Development of Government Efficiency Grants — Under this provision, states will receive funding for the purpose of carrying out activities related to implementing community engagement requirements. Specifically, the bill would appropriate \$100 million for FY 2026 for grant awards to states, which would be allocated based on a statutory formula described in the bill. The legislation would also allocate an additional \$100 million for grant awards, which would be allocated equally among states.

Interim Final Rule — The bill requires CMS to issue an interim final rule by June 1, 2026, for the purposes of implementing the community engagement requirements.

Implementation Funding — The bill appropriates \$200 million to HHS for FY 2026 for the purposes of carrying out the implementation of community engagement requirements.

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PERSONAL ACCOUNTABILITY: COST SHARING REQUIREMENTS

Under current law, states may charge premiums and establish nominal out-of-pocket cost sharing requirements for certain Medicaid enrollees. While states can impose higher cost-sharing for targeted groups, certain populations — including children and pregnant women — are exempt from most out of pocket costs and some copayments cannot be charged for certain services. Beginning October 1, 2028, section 71120 of the bill will require states to impose cost-sharing for covered services for Medicaid expansion enrollees with family incomes exceeding 100 percent of the federal poverty line. Notably, this provision would allow states to permit Medicaid providers to require, as a condition of the provision of Medicaid services, the payment of any cost sharing obligations by the Medicaid beneficiary.

The provision includes several limitations on the cost-sharing obligations required under this bill. Specifically, states may not impose any cost-sharing requirements with respect to: (1) any pregnancy-related services, including tobacco cessation; (2) services furnished to an individual who is an inpatient in a hospital, nursing facility, or other institutions who must contribute all of their income toward the cost of their care; (3) emergency services; (4) family planning services; (5) services furnished to an individual who is receiving hospice care; and (6) the administration of vaccines. Under this bill, states must not also impose any cost-sharing requirements for certain primary care services, mental health care services, substance use disorder services, or services furnished in FQHCs, certified community behavioral health clinics, or rural health clinics.

Notably, cost sharing for a specified item or service furnished to an individual who is eligible for Medicaid under Medicaid expansion is limited to \$35, and the total aggregate amount of cost sharing that a state may impose for all individuals in the family may not exceed five percent of the family income, as applied on a quarterly or monthly basis. For outpatient prescription drugs and certain non-emergency services delivered in hospital emergency departments, cost sharing must comply with existing federal limits under current law. Additionally, the bill explicitly extends the cost-sharing limitations to certain non-emergency services furnished in hospital emergency departments, aligning them with existing Medicaid cost-sharing rules. The bill provides \$15 million to CMS for FY 2026 to implement these provisions.

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EXPANDING ACCESS TO CARE

Adjustments of Medicaid HCBS Coverage — Beginning July 1, 2028, section 71121 allows states to request a new, separate home- and community-based services (HCBS) waiver (either section 1915(c) or 1115) to cover those who do not meet the currently required institutional “level of care” determination. To be approved for such waivers, a state must: (1) establish needs-based eligibility criteria and ensure no longer wait times for existing waiver recipients; (2) attest that its average per capita HCBS spending will not exceed what it would cost to care for those individuals in an institution; and (3) provide the Secretary with annual data on service costs, durations, and enrollment.

The bill provides implementation funding, appropriating \$50 million for FY 2026 to help CMS carry out these waiver changes and \$100 million for FY 2027 to support the expansion of state systems to deliver these HCBS waivers. The bill specifies that the \$100 million will be distributed among the states in proportion to the state’s HCBS-eligible population.

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MEDICARE

Limiting Eligibility for Immigrants — Under current law, U.S. citizens and permanent residents are eligible for premium-free Medicare Part A at age 65 if they have worked for at least 40 quarters (10 years) in jobs where they or their spouse paid Medicare payroll taxes. Legal immigrants aged 65 or older who do not meet this work history requirement can buy Medicare Part A after living legally in the U.S. for five continuous years. Legal immigrants under 65 with disabilities may also become eligible but generally must first qualify for SSDI (Social Security Disability Insurance), which requires having worked and paid Social Security taxes long enough to earn between 20 and 40 work credits (equivalent to 5–10 years of work). Notably, newly arrived immigrants are not eligible for Medicare, regardless of age. However, once legal residency and other eligibility criteria are met, immigrants can enroll in Medicare on the same basis as other U.S. residents.

Section 71201 of the bill amends these eligibility requirements for immigrants to only permit Medicare coverage for: (1) U.S. citizens; (2) aliens who are lawfully admitted for permanent residence under the Immigration and Nationality Act; (3) aliens who have been granted the status of a Cuban and Haitian entrant; or (4) individuals residing under the COFA. Individuals currently enrolled in Medicare who are not described in the list above, will be terminated from coverage within 18 months after enactment of the bill.

Medicare Physician Payments — Medicare reimburses most physicians under the physician fee schedule (PFS), where payment for each service is determined by multiplying the service's relative value units (RVUs) by a dollar-based conversion factor. To avoid scheduled cuts to physician payment for 2026, section 71202 of the bill increases the physician fee schedule for services furnished between January 1, 2026, and before January 1, 2027, by 2.5 percent. The bill clarifies that this change to the PFS will not be taken into account in determining the payment amounts for future years.

Orphan Drug Exclusion — The Inflation Reduction Act (IRA) includes a specific exclusion for certain orphan drugs from Medicare price negotiations. On June 30, 2023, CMS published revised guidance pertaining to the Medicare Drug Pricing Negotiation Program, which includes eligibility for certain single-source drugs to be exempt from negotiation under the Orphan Drug Exclusion (ODE). Under the previous guidance, CMS indicated that orphan drugs holding more than one rare disease designation will no longer be eligible for the ODE and will thus be subject to negotiation under the program.

Section 71203 amends the current statute by redefining orphan drugs for the purposes of the Medicare Drug Pricing Negotiation Program to make clear that drugs that have an indication for one or more rare disease or conditions are exempt from negotiation. In addition, the bill indicates that the Secretary should not consider periods in which the drug was identified as an orphan drug when determining the elapsed time related to the approval of a drug or licensure of a biological product for the purposes of eligibility for Medicare negotiation. The amendments made by this section are to apply with initial price applicability years beginning on or after January 1, 2028.

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EXCHANGES & TAX CREDITS

Immigrant Eligibility — Mirroring the restrictions imposed on Medicare coverage for immigrants, the bill will also narrow eligibility for premium tax credits (PTCs) to only “eligible aliens.” Currently, all “lawfully present” immigrants can qualify for premium subsidies and cost-sharing reductions (CSRs) under the ACA. Section 71301 narrows the premium tax credit eligibility to only “eligible aliens,” defined in the text as lawful permanent residents (green card holders), COFA migrants residing in the U.S., and certain immigrants from Cuba. Section 71302 prevents lawfully present immigrants from receiving PTCs during any period that they are ineligible for Medicaid due to their immigration status — reversing current policy that allows such individuals to receive subsidies despite being barred from Medicaid. The changes made in section 71301 will apply to taxable years beginning after December 31, 2026, while section 71302 will apply after December 31, 2025.

Eligibility Verification — Section 71303 will require active, annual verification of key eligibility factors — including income, immigration status, health coverage status or eligibility, place of residence, family size, and any other information deemed necessary by the HHS Secretary — before individuals can receive APTCs or CSRs. Under current law, individuals may enroll in a Marketplace plan by attesting to their information, which is then electronically verified against federal databases. If discrepancies arise, enrollees have 90 days to resolve them. While consumers may still enroll in a plan under this provision, they would not receive financial assistance until their eligibility is confirmed — effectively eliminating auto-renewals. Under the bill, the Secretary is able to waive this verification requirement for an individual who enrolls in an special enrollment period (SEP) due to change in family size. This change is scheduled to take effect for taxable years beginning after December 31, 2027.

SEPS & Tax Credit Eligibility — Section 71304 prohibits eligibility for PTCs or CSRs for individuals who enroll during income-based SEPs. This change is scheduled to take effect for plan years beginning after December 31, 2025.

APTC Recapture — Under current law, individuals who receive excess PTCs due to their estimated income being lower than their actual income are required to repay the difference, but most are protected by income-based repayment caps. Section 71305 of the bill will eliminate these caps, requiring all PTC recipients — regardless of income — to repay the full amount of any excess credits. This change is scheduled to take effect for taxable years beginning after December 31, 2025.

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ENHANCING CHOICE FOR PATIENTS

Telehealth Safe Harbor — In the Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020, Congress temporarily allowed health savings account (HSA)-eligible high-deductible health plans (HDHPs) to cover telehealth and other remote services before the deductible. Section 71306 would make that safe harbor permanent and clarifies that even if an individual has separate coverage for

telehealth or other remote care services while enrolled in an HDHP, they remain eligible to contribute to an HSA. This change takes effect for plan years beginning after December 31, 2024 — the date the temporary safe harbor expired.

Bronze and Catastrophic Plans Treatment — Under current law, not all bronze plans meet IRS HDHP criteria and catastrophic plans remain ineligible for HSAs. Bronze plans feature the highest cost-sharing and lowest premiums among metal tiers (approximately 60 percent actuarial value), while catastrophic plans have even lower premiums but annual deductibles equal to the ACA out-of-pocket limits (\$9,200 individual / \$18,400 family in 2025). Section 71307 amends current regulations to treat these plans as an HDHP that can be paired with the HSA, effective January 1, 2026.

DPC Treatment — Direct primary care (DPC) arrangements allow practices to offer unlimited primary care services in exchange for a fixed periodic fee. Under current rules, DPC can sometimes be treated as a health plan — making participants ineligible for HSA contributions. Section 71308 clarifies that a DPC arrangement will not be considered a health plan if its fees do not exceed \$150 per month for an individual or \$300 per month for a family. This exception applies only to practices offering primary care services and expressly excludes: (1) procedures using general anesthesia; (2) prescription drugs other than vaccines; (3) laboratory services not typically administered in an ambulatory primary care setting. Under this provision, fees paid to any qualifying DPC practice will be treated as HSA-eligible medical expenses. These changes take effect January 1, 2026.

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PROTECTING RURAL HOSPITALS AND PROVIDERS

Rural Health Transformation Program — Section 71401 of the bill appropriates \$50 billion to CMS over FY 2026–2030 to establish the Rural Health Transformation Program, with any unexpended or unobligated funds as of October 1, 2032, returning to the Treasury. States seeking funds must submit a one-time “rural health transformation” application — detailing how they will use the money to support at least three of the ten program activity areas — and CMS must approve or deny applications by December 31, 2025. No state match is required.

The ten program activity areas are: (1) promoting evidence-based, measurable interventions to improve prevention and chronic disease management; (2) providing payments to health care providers for the provision of health care items or services; (3) providing consumer-facing, technology-drive solutions for the prevention and management of chronic diseases; (4) providing training and technical assistance for the development and adoption of technology-enabled solutions that improve care delivery in rural hospitals, including remote monitoring, robotics, AI, and other advanced technologies; (5) recruiting and retaining clinical workforce talent to rural areas; (6) providing technical assistance, software, and hardware for significant IT advances designed to improve efficiency, enhance cybersecurity capability development, and improve patient health outcomes; (7) assisting rural communities to “right size” their health care delivery systems by identifying needed preventative, ambulatory, pre-hospital, emergency, acute inpatient care,

outpatient care, and post-acute care services lines; (8) supporting access to opioid use disorder treatment services, SUD treatment services, and mental health services; (9) developing projects that support innovative models of care that include value-based care arrangement and alternative payment models; and (10) any additional uses designed to promote sustainable access to high quality rural health care services.

Half of the \$50 billion will be divided equally among all approved states, while 40 percent of the remaining funds will be allotted in amounts the Administrator determines, based on each state's share of the rural population, its proportion of rural health facilities, hospital circumstances under § 1902(a)(13)(A)(iv), and any other factors CMS deems appropriate. States may use up to 10 percent of their allotments for administrative costs. Unexpended or unobligated funds are recaptured and reallocated annually through FY 2034, and CMS may withhold, reduce, or recover payments if a state misuses its funds.

The bill appropriates \$200 million to CMS for FY 2025 to implement this provision, which will remain available until expended.

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CHANGES TO IRA TAX CREDITS IN THE ONE BIG BEAUTIFUL BILL ACT

INTRODUCTION

On July 3, the House passed the One Big Beautiful Bill Act ([H.R.1](#)), sending the reconciliation package to President Trump's desk to be signed into law. Ultimately, the bill either terminates or phases out several of the Inflation Reduction Act (IRA) clean energy tax credits and enacts new restrictions related to foreign entities of concern (FEOC). Some highlights:

- **Transferability** — Transferability was largely preserved in the final text, though taxpayers are now prohibited from transferring credits to certain foreign entities.
- **Clean electricity** — The final bill provides a carveout from the new 2027 “placed in service” deadline for the 45Y and 48E clean electricity credits, allowing wind and solar projects that begin construction less than one year after the bill's enactment to receive the credit, but still requiring other solar and wind projects to be placed in service by the end of 2027. For all other types of projects — such as hydropower, nuclear, geothermal, and energy storage — the credit starts decreasing in 2034 until zeroing out in 2036. The new “material assistance” FEOC restrictions will apply to facilities that commence construction after 2025.
- **Advanced manufacturing** — The 45X advanced manufacturing credit phases out for critical minerals production by 2034, and it is phased out even earlier — after 2027 — for wind components.
- **Clean hydrogen** — The 45V clean hydrogen credit will be phased out after 2027, though this is an improvement upon previous versions of the legislation where the credit was slated to be terminated in short order.
- **Extensions or other changes** — The 45Z clean fuel credit is extended through 2029 and the 45U nuclear credit and 45Q carbon oxide sequestration credits expiration dates were left unchanged, though new restrictions related to FEOCs, foreign resources, and other changes were enacted.
- **Terminations** — Many other tax credits, including the 30D clean vehicles and 30C alternative refueling property credits, are being terminated early.

The Trump administration will now look to implement the various provisions of the One Big Beautiful Bill Act, and the Treasury Department and Internal Revenue Service (IRS) will begin pushing out guidance that outlines new rules for the IRA tax credits in the coming weeks and months. Notably, during a news interview earlier today, Rep. Ralph Norman (R-SC) said that the president has promised to aggressively enforce the phaseout of the 45Y and 48E credits for wind and solar as he sought to convince conservative Freedom Caucus holdouts to vote for the package. Additionally, House Republicans are already teasing the idea of a second reconciliation bill to advance President Trump’s agenda, with some lawmakers calling for further cuts to the IRA. However, with midterm elections right around the corner, it is unclear whether a second package can come together before members turn their attentions to campaigning season.

This memorandum describes the tax credits under current law and outlines the changes that were made in the reconciliation package.

FOREIGN ENTITIES OF CONCERN

The bill contains several new FEOC restrictions on 45Y/48E — both at the ownership and the component level — and on 45X that prevent taxpayers from claiming these credits according to the conditions and timelines below:

Credit	Taxpayer is a “specified foreign entity”	Taxpayer is a “foreign-influenced entity”	Taxpayer receives “material assistance from a prohibited foreign entity”	Taxpayer holds a licensing agreement with a prohibited foreign entity
45Y/48E	2026 , taxable years after enactment	2026 , taxable years after enactment	Facilities that start construction after 2026	Applies to arrangements entered into or modified after enactment
45X	2026 , taxable years after enactment	2026 , taxable years after enactment	2026 , taxable years after enactment	Applies to arrangements entered into or modified after enactment

- **Prohibited foreign entity (PHE)** includes the following:
 - ↳ **Specified foreign entity (SFE)**
 1. Certain entities designated as threats to national security
 2. Foreign control entities (FCE):

- a. Governments of covered nations
 - b. Citizen or national of a covered nation
 - c. Entity or qualified business incorporated in or organized under the laws of a covered nation
 - d. Entity or qualified business with principle place of business in a covered nation
 - e. Any entity controlled by such entities, with “control” meaning ownership of more than 50 percent of stock, profits, capital, or other interests in a corporation, partnership, or any other entity
3. For all publicly traded companies — except those companies traded on exchanges in covered nations — different FCE rules apply. Publicly traded companies are considered FCEs if “controlled” by one or more SFEs (excluding FCEs), or one or more of the first three types of FCEs which are required to report their beneficial ownership to the Securities and Exchange Commission (SEC) or similar agency.

↳ **Foreign-influenced entity (FIE)**

1. During the taxable year:
 - a. An SFE can appoint a covered officer, such as board member of C-suite executive
 - b. A single SFE owns at least 25 percent
 - c. One or more SFEs own 40 percent
 - d. One SFE holds 15 percent of debt
2. SFE has “effective control,” meaning SFE holds contractual rights that confer specific authority over key aspects of component production or electricity generation at the facility to the SFE
 - ↳ Carveout for “bona fide purchase or sale” wherein a purchaser is not on notice that an SFE retains certain rights

• **Material assistance from a prohibited foreign entity**

- ↳ A material assistance cost ratio in excess of certain threshold amounts set for 45Y and 48E, as well as for 45X.
- **45Y/48E** — The material assistance cost ratio is the percentage of total direct costs to the taxpayers attributable to manufactured products incorporated into the facility or energy storage technology upon completion of construction. that are not from a PFE.
 - **45X** — The material assistance cost ratio is the percentage of total direct material costs paid or incurred by the taxpayer for non-PFE eligible components.

$$\frac{\text{Total Cost}(-)\text{Cost of PFE components}}{\text{Total Cost}} = \text{Cost Ratio}$$

- ↳ A taxpayer does not include in the calculation of the material assistance cost ratio, the cost of manufactured products, eligible components, or constituent element, material, or subcomponent of an eligible component if the taxpayer entered into a binding written contract for those items prior to June 16, 2025, and if:
 - The wind or solar facility is placed in service by January 1, 2028, or for all other technologies the facility is placed in service by January 1, 2030, and the construction of the facility began before August 1, 2025.
 - For eligible components, the constituent element, material, or subcomponent, was used in a product sold before January 1, 2030.
 - ↳ Includes safe-harbor tables for determining total costs attributable to a PFE, which the Department of Energy (DOE) is instructed to provide no later than December 31, 2026. The tables will identify the percentage of total direct material costs of any manufactured product or eligible component which is attributable to a PFE to make the material cost ratio calculation easier.
- **Licensing**
 - ↳ Bars credit for projects where taxpayer has any form of licensing agreement or other IP contract with a PFE entered into after the date of enactment, even if no express contractual right to control, influence, or facility's production exists.

BREAKDOWN

Provision	Current Law	One Big Beautiful Bill Act
45Y Clean Electricity Production Credit	<p>Effective 2025 onward with no fixed end date.</p> <p>↳ A per-kilowatt-hour tax credit for electricity generated by qualifying zero-emission facilities (technology-neutral replacement for the traditional renewable PTC)</p>	<p>Terminates for wind and solar by 2028; projects that begin construction within 12 months are carved out from the 2027 “placed in service” deadline. Phased out for nuclear, geothermal, battery storage, and hydropower by 2036.</p> <p>↳ Credit phases out for wind and solar projects by 2028. Provides a carve-out for solar and wind projects that begin construction less than 12 months after enactment but would still require other wind and solar projects to be “placed in service” by the end of 2027.</p> <p>↳ Does not codify IRS start of construction safe-harbor guidance, which states that projects must be placed in service at least 4 years after start of construction.</p>

		<ul style="list-style-type: none"> ↳ For all other projects, such as hydropower, nuclear, geothermal, and energy storage, keeps 100% of the credit until 2033 before decreasing to 75% in 2034, 50% in 2035, and then zero in 2036. ↳ Denies eligibility of expenditures for wind and solar leasing arrangements upon enactment. ↳ No credit is allowed for a facility that commences construction after 2025 that includes any material assistance from a PFE. No credit allowed after enactment if the taxpayer is a PFE. ↳ Limits existing contract safe harbor for material assistance to facilities the construction of which begins before August 1, 2025. ↳ Preserves transferability.
48E Clean Electricity Investment Credit	<p>Effective 2025 onward with no fixed end date.</p> <ul style="list-style-type: none"> ↳ An investment tax credit for clean electricity projects and energy storage, providing a percentage of the project's cost as a credit (technology-neutral replacement for the traditional ITC). 	<p>Terminates for wind and solar by 2028; projects that begin construction within 12 months are carved out from the 2027 "placed in service" deadline. Phased out for nuclear, geothermal, battery storage, and hydropower by 2026.</p> <ul style="list-style-type: none"> ↳ Credit phases out for wind and solar projects by 2028. Provides a carve-out for solar and wind projects that begin construction less than 12 months after enactment but would still require other wind and solar projects to be "placed in service" by the end of 2027. ↳ For all other projects, such as hydropower, nuclear, geothermal, and energy storage, keeps 100% of the credit until 2033 before decreasing to 75% in 2034, 50% in 2035, and then zero in 2036. ↳ No credit is allowed for a facility that commences construction after 2025 that includes any material assistance from a PFE. No credit allowed after enactment if the taxpayer is a PFE. ↳ Preserves transferability.
45U Zero-Emission Nuclear Power PTC	<p>Available until 2032.</p> <ul style="list-style-type: none"> ↳ A production tax credit for electricity generated by existing nuclear power 	<p>Preserved until 2032.</p> <ul style="list-style-type: none"> ↳ Disqualifies facilities owned by FEOCs two years after enactment.

plants (to support continued operation of zero emission nuclear facilities)

↳ Preserves transferability.

45X Advanced Manufacturing Credit

Available until 2032.

- ↳ A tax credit to incentivize domestic manufacturing of certain clean energy components (e.g. solar panels, wind turbine parts, batteries). Credit is claimed per unit of eligible component produced and sold.
- ↳ Scheduled to phase down in the last years: under current law, credit drops to 75% in 2030, 50% in 2031, 25% in 2032, terminating after 2032.

Phased out by 2034.

- ↳ Phases out for producing critical minerals, with 75% in 2031, 50% in 2032, 25% in 2033, and no credit beginning in 2034.
- ↳ Phases out early for wind components after 2027.
- ↳ Establishes a new metallurgical coal production tax credit at 2.5% that can be claimed from 2026 through 2029.
- ↳ Preserves “stackability,” meaning that manufacturers can claim credit for eligible components incorporated into other eligible components. However, starting in 2027, the components must be made at the same factory and at least 65% of the direct material costs “paid or incurred” by the manufacturer must be for inputs mined, produced, or manufactured domestically.
- ↳ Adds requirement that, to qualify as a battery module, an article must be “comprised of all other essential equipment needed for functionality, such as current collector assemblies and voltage sense harnesses, thermal collection assemblies, or other essential energy collection equipment.”
- ↳ Exempts publicly traded companies from many of the FIE rules.
- ↳ Preserves transferability.

45V Clean Hydrogen PTC

Available to projects commencing construction before 2032.

- ↳ A production tax credit for clean hydrogen fuel, up to \$3 per kilogram of hydrogen produced, for the first 10 years of operation of a qualifying facility.

Terminates credit for projects that begin construction after 2027.

- ↳ Only projects that begin construction by December 31, 2027 qualify for the credit, an improvement upon the previous versions of the bill.

45Z Clean Fuel Production Credit

Available through 2027.

- ↳ Tax credit for domestic production of low carbon transportation fuels (such

Extends through 2029.

- ↳ Adds two more years of eligibility.

	<p>as biodiesel, renewable diesel, sustainable aviation fuel), based on the fuel's lifecycle emissions (available starting in 2025)</p> <ul style="list-style-type: none"> ↳ Applies to eligible fuel produced and sold for use in 2025, 2026, 2027, after which it expires. 	<ul style="list-style-type: none"> ↳ Imposes a 20% decrease on the value of the credit for fuel produced from feedstocks produced or grown outside the U.S. after 2025. ↳ Excludes indirect land use changes for the purposes of lifecycle greenhouse gas emissions and provides Treasury authority to establish distinct emission rates for specific manure feedstocks after 2025. Prevents negative emissions rates for fuels after 2025. ↳ Disallows the credit for SFEs after enactment and FIEs two years after enactment. ↳ Preserves transferability.
45Q Carbon Oxide Sequestration Credit	<p>Available to projects commencing construction before 2033.</p> <ul style="list-style-type: none"> ↳ Provides a credit per metric ton of qualified carbon oxide captured and disposed of or used by a taxpayer. 	<p>Establishes parity for different CO2 uses.</p> <ul style="list-style-type: none"> ↳ Conforms credit values for captured carbon oxide that is disposed of in secure geological storage and that which is utilized first and then sequestered, effective for equipment placed in service after 2022. ↳ Disallows the credit for SFEs after enactment and FIEs two years after enactment.
30D Clean Vehicles Tax Credit	<p>Available through 2032.</p> <ul style="list-style-type: none"> ↳ Tax credit up to \$7,500 for consumers purchasing a new plug in electric or fuel-cell vehicle. IRA introduced income and price eligibility limits and battery sourcing requirements, but removed the prior manufacturer sales cap. 	<p>Terminates after 3 months.</p> <ul style="list-style-type: none"> ↳ Terminates the credit for vehicles acquired after September 30, 2025.
45W Commercial Clean Vehicles Tax Credit	<p>Available through 2032.</p> <ul style="list-style-type: none"> ↳ Tax credit for businesses and tax exempt entities to purchase new electric or fuel-cell vehicles. Credit of up to \$7,500 for light duty vehicles or \$40,000 for heavy trucks. 	<p>Terminates after 3 months.</p> <ul style="list-style-type: none"> ↳ Terminates the credit for vehicles acquired after September 30, 2025.
25D Residential Clean Energy Credit	<p>Available through 2034, with a phase down.</p> <ul style="list-style-type: none"> ↳ Tax credit for homeowners installing residential solar panels, solar water heaters, wind turbines, geothermal heat 	<p>Terminates after 2025.</p> <ul style="list-style-type: none"> ↳ Terminates the credit with respect to expenditures made after December 31, 2025.

	<p>pumps, or battery storage. Currently 30% of the cost.</p> <p>↳ Credit is 30% for installations through 2032, then drops to 26% in 2033 and 22% in 2034; expires end of 2034.</p>	
25E Used Clean Vehicles Tax Credit	<p>Available through 2032.</p> <p>↳ Tax credit for buying a used electric vehicle, up to \$4,000 (with income and vehicle price limitations).</p>	<p>Terminates after 3 months.</p> <p>↳ Terminates the credit for vehicles acquired after September 30, 2025.</p>
30C Alternative Refueling Property Tax Credit	<p>Available through 2032.</p> <p>↳ Tax credit for installation of electric vehicle charging stations or other alternative fuel refueling property (e.g. hydrogen fueling), generally 30% of the cost up to a cap</p>	<p>Terminates after 12 months.</p> <p>↳ Terminates the credit with respect to property placed in service after June 30, 2026.</p>
25C Energy Efficiency Home Improvement Credit	<p>Available through 2032.</p> <p>↳ Tax credit for energy efficient home upgrades (insulation, windows, doors, HVAC, etc.), up to \$1,200 per year (30% of qualified improvement costs, with specific item caps)</p>	<p>Terminates after 180 days.</p> <p>↳ Terminates the credit with respect to property placed in service after December 31, 2025.</p>
179D Energy Efficient Commercial Buildings Deduction	<p>Effective 2023 onward with no fixed end date.</p> <p>↳ A tax deduction (not a credit) for energy efficiency enhancements in commercial buildings. Allows qualifying building owners or designers to deduct an amount (up to \$5 per square foot, depending on energy savings and wage requirements) for efficiency improvements.</p>	<p>Terminates after 12 months.</p> <p>↳ Terminates the deduction with respect to property constructed after the date that is 12 months after enactment.</p>
Transferability	<p>Effective 2023 onward with no fixed end date.</p> <p>↳ Allows certain business taxpayers to sell or transfer their tax credits to unrelated parties for cash. This IRA</p>	<p>Preserved, FEOC restrictions added.</p> <p>↳ Maintains transferability for credits being phased out, preserved, or extended.</p> <p>↳ Prohibits transfers to SFEs.</p>

provision helps monetization of credits
(especially for entities with limited tax
liability).



2025 Budget Act Agreement June 28, 2025

TO: CSAC Board of Directors
County Administrative Officers and County Executive Officers

FROM: Graham Knaus, CSAC Chief Executive Officer
Jacqueline Wong-Hernandez, CSAC Chief Policy Officer

RE: **CSAC's Summary of the 2025 Budget Act Agreement**

Earlier this week, the Legislature and the Administration reached an [agreement on the 2025-26 spending plan for California](#). Typically, such a pivotal moment would be announced with a flurry of press releases and media engagement from all three parties that landed the deal; a prime opportunity to tout the hard work of their staff and the merits of the funding decisions reached. Instead, on Tuesday, June 24, state budget aficionados and advocates woke up to the quiet, piecemeal roll-out of the revised 2025 Budget Act and dozens of accompanying budget trailer bills, absent any fanfare. Less than 24 hours following the publication of these measures, the Senate and Assembly budget committees convened to hear the collective 2025 Budget Act package. Summaries of the 2025 Budget Act agreement are available on the [Senate](#) and [Assembly](#) websites. The Administration's first acknowledgement that a 2025 Budget Act spending agreement had been reached occurred Friday evening, when [the Governor signed the budget bills](#) and a flurry of accompanying budget trailer bills.

The \$321.1 billion spending plan maintains much of the Legislature's budget architecture, but reflects \$3.9 billion less in total spending compared to the [Senate and Assembly's joint plan](#) released earlier this month. The final budget agreement rejects many of the Governor's proposed cuts to address the estimated \$12 billion deficit and offers different solutions. In addition to changes to appropriations, the revised 2025 Budget Act imparts uncommon trigger language that ties the fate of the entire spending package to be contingent upon the passage of one budget trailer bill.

- **What is a budget trailer bill?** Trailer bills accompany the main budget act by enacting any corresponding changes to state law. While the budget bill includes expenditure authority and sparse provisional language regarding the use of funds, the trailer bills include implementation language for specific appropriations. These bills are called “trailer” bills because they are not subject to the June 15 deadline and therefore trail after the main budget act is passed. Dozens of trailer bills are introduced, negotiated, and passed annually. Although budget trailer bills are not confined to a specific timeline for approval, most of these bills are expected to be passed before the end of June. However, it is not unheard of for Legislative negotiations on trailer bills for controversial issues to extend into July and August.

Mysterious Budget Trailer Bill Unapologetically Causes Drama

Of the thousands of pages of budget trailer bill language introduced earlier in the week, one mysteriously blank budget trailer bill created much tension and handwringing in the capitol community. The main Budget Bill ([SB 102](#)) includes the language: *“if the Governor does not sign one of Assembly Bill 131 or Senate Bill 131 on June 30, 2025, the provisions of the Budget Act of 2025, as enacted in Senate Bill 101 and as amended in this act, and any associated bills providing for appropriations related to the budget... shall be inoperative and repealed in their entirety on June 30, 2025, at 11:59 p.m.”* In other words, the Governor must sign SB/AB 131 on June 30 (the last day of the state’s fiscal year) otherwise the entire 2025 Budget Act package is void. SB/AB 131 was mysteriously blank until it was finally introduced on Friday, June 27. Given the rule that legislation must be in print for 72 hours before it can be acted upon and passed to the Governor for signature, lawmakers introduced SB/AB 131 without a minute to spare to give the Governor enough time to sign it on June 30.

What happened to the Homeless Housing, Assistance, and Prevention (HHAP) Program?

The most notable deviation from the Governor’s spending plan—which forfeited new homeless funding entirely—is budget trailer bill language ([SB/AB 131](#)) that appropriates \$500 million for Round 7 of the Homeless Housing, Assistance, and Prevention (HHAP) Program in 2026-27. This development notwithstanding, **we are dismayed that the Legislature and the Administration chose to not fund the HHAP program in 2025-26.** This comes after counties and others were required to submit 3-year homelessness plans and additional onerous application requirements, for “increased accountability.” The lack of funding continues the unreliable, piecemeal approach to addressing the most intractable crisis of our generation. Long-term problems demand long-term solutions. CSAC continues to communicate to the state that this is **UNACCEPTABLE** for Californians. More information on the HHAP program is available in the Homelessness section of this publication.

Proposition 36 (2024)

Passed by nearly 70% of voters across all 58 counties in November 2024, Proposition 36 creates a new offense, a treatment-mandated felony, for repeat offenders, and per proponents, focuses on treatment and rehabilitation of repeat offenders. While the Governor's Budget in January *did not* include funding for implementation, the Joint Legislative Budget Agreement *did*, to the tune of \$110 million.

Ultimately, after the dust settled from budget negotiations, \$100 million in *one-time funding* was included in the 2025 Budget Act for Proposition 36 implementation. However, it is important to note that only \$50 million is specifically earmarked for *county* implementation of Proposition 36. While the inclusion of any funding – in the context of a \$12 billion budget gap is critical – this is *far* from what was estimated to fulfill county department needs as an adequate amount to implement the will of the voters. Absent additional and ongoing funding, it is uncertain how implementation can, or will, successfully unfold statewide. Please refer to the Administration of Justice (AOJ) section of this publication for additional details regarding allocation specifics.

Affordability: What Happens to a Dream Deferred?

As mused by CSAC in late 2024 and early 2025, the collective focus of the Administration and Legislature entering the 2025-2026 Legislative Session appeared to prioritize affordability, with an emphasis on the cost of living, housing, and energy costs. On the heels of the Governor's action to call a special session of the last day of the 2023-2024 Legislative Session to [force a dialogue about addressing oil and gas policy](#), it seemed that the political will in Sacramento was ripe to have more difficult conversations about affordability. However, the conversation was largely forced to take a backseat; first as a result of the devastating wildfires in Los Angeles County that were actively burning during the release of the Governor's proposed budget for 2025-26 in January, and then due to the all-consuming conversations about federal fiscal uncertainty.

Nonetheless, some elements of this dashed desire were preserved in the 2025 Budget Act. Namely, the final budget agreement directs the Legislative Analyst's Office to develop tax reform options that lower taxes for ordinary California families, maximizes federal deductibility, minimizes any negative impacts on the California economy, and strengthens revenues over the long run. The options will be due to the Legislature in November 2025 and be considered in the development of the 2026-27 state budget.

The subsequent sections of this publication provide descriptions of specific budget appropriations by policy area. For questions on these and other items of importance, please [contact the CSAC legislative affairs team](#).

If you have questions regarding the Budget Action Bulletin, please contact Jessica Sankus, CSAC Principal and Fiscal Policy Analyst, at jsankus@counties.org

2025 Budget Act: Budget Bills and Trailer Bills		
Bill Number	Topic	Status*
SB 101	2025 Budget Act - Joint Legislative Budget Plan	Chaptered
AB 102	Budget Bill Jr. - Amends SB 101 for 2025-26	Chaptered
SB 103	Budget Bill Jr. - Amends FY 2022, 2023, 2024	Chaptered
SB/AB 116	Health omnibus	Passed
AB 118	Human services	Chaptered
SB/AB 119	Public social services	In committee
SB 120	Early childhood education and childcare.	Chaptered
AB 121	Education omnibus	Chaptered
AB 123	Higher education	Chaptered
SB 124	Public resources	Chaptered
SB 127	Climate change	Chaptered
SB 128	Transportation	Chaptered
SB/AB 129	Labor	On floor
SB/AB 130	Housing	In committee
SB/AB 131	Public resources	In committee
SB 132	Taxation	Chaptered
AB 134	Public Safety	Chaptered
AB 136	Courts	Chaptered
SB/AB 137	State Government	Passed
SB/AB 139	State Bargaining Units 9 & 12	In committee
SB/AB 140	State Bargaining Unit 6	In committee
SB 141	California Cannabis Tax Fund	Chaptered
SB 142	Deaf and Disabled Telecommunications Program	Chaptered
AB 143	Developmental services	Chaptered
*As of 12:00pm on Saturday, June 28, 2025		

The State's Fiscal Condition and Future Uncertainty

Does the State Budget Account for Future Federal Budget Cuts?

No. The 2025 Budget Act spending agreement does not reflect any assumptions about federal cuts. As federal action remains uncertain and the scope of the fiscal effects are ultimately unknown, the state has opted to instead include flexible authority for the California Department of Finance to make midyear adjustments to the Budget Act, explained in more detail below.

The Multiyear Outlook: Future Budget Deficits are Certain

In late May, the Legislative Analyst's Office (LAO) [released an updated assessment of the state's fiscal condition](#), with a focus on the forecasted condition of the General Fund for the three years following the 2025-26 budget under development. The LAO is the California Legislature's nonpartisan fiscal and policy advisor. At critical points during the state budget development process, the LAO provides an independent assessment of the California state budget condition for the upcoming fiscal year and beyond to inform the Legislature's priorities and funding decisions. Although the LAO's most recent analysis does not reflect an assessment of all of the fiscal decisions reflected in the final 2025 Budget Act spending plan, the budget architecture remains consistent enough to rely on the LAO's General Fund forecast. In their assessment, the LAO comments that their fiscal analysis aligns with the Department of Finance's General Fund forecast, which anticipates annual budget deficits ranging from \$10 billion to \$20 billion through 2028-29.

IN THE WEEDS – BUDGET CONTROL SECTIONS

Apart from the items of appropriation in the state Budget Act, the annual budget bill includes dozens of "control sections" that provide additional authority, restrictions, or explanations about how the appropriations in the budget will be managed. If you make it through the hundreds of pages of budget appropriations in the 2025 Budget Act, you'll find two new Control Sections in response to future federal uncertainties:

Preparing for Changes in Federal Funding

In anticipation of the potential, although still unknown in scope, reduction in federal financial participation in 2025-26, the budget includes language (Section 28.30) that authorizes the Director of the California Department of Finance to reduce **any** item of appropriation in the budget in response to federal action that reduces funding for California. This authority is not

limited to reducing federal fund appropriations in the state budget to mirror federal changes; rather, the budget authorizes the Department of Finance to reduce any state appropriation from any funding source, for any program, project, or function to “align” with reduced federal funding. This authority allows the Administration to take swift action following federal funding cuts, and **bypasses** the traditional process to significantly amend the budget mid-year, which would ordinarily include introducing a “Budget Bill Jr” and holding budget committee hearings in both houses, passage by the Legislature, and enactment by the Administration.

Funding for Legislative Priorities: County Litigation Efforts

Under moreprecedented circumstances, during “good” budget years lawmakers will include funding for their personal priorities in Section 19.56 of the Budget Act. These “earmarks” for specific local projects are not agendized during budget committee hearings in the Senate or the Assembly. During years with funding deficits, legislative priorities in Section 19.56 are forfeited in the interest of reserving all resources to maintain the functions and programs of the core state budget. Surprisingly, although the 2025 Budget Act spending agreement included budget-balancing solutions (cuts, delays, and borrowing) to address a \$12 billion deficit, SB 102 (“Budget Bill Junior”) includes \$77.2 million for a small handful of legislative priorities. The lion’s share of this funding is \$45 million for Sonoma State University for “a long-term turnaround plan focused on aggressive student recruitment, academic program stability and expansion...”

Notable for county governments, the funding for legislative priorities also includes \$6 million for three counties (\$2 million each for Los Angeles, San Francisco, and Santa Clara Counties) for “administrative actions, affirmative litigation, and defense against enforcement and legal actions taken by the federal government.”

Agriculture, Environment, and Natural Resources

The 2025 Budget Act sustains reductions proposed in the Governor's January Budget proposal, but restores funding to several key county-focused programs. The final budget agreement defers broader decisions about the allocation of bond funding and the Greenhouse Gas Reduction Fund (GGRF) (with some exceptions) until later this summer. CSAC core priorities of wildfire prevention and fire protection were sustained while controversial policy proposals related to the Delta Conveyance Project and water quality were rejected.

Forestry and Fire Protection

County Coordinator Program Fully Funded

The final budget agreement includes \$9.5 million General Fund to CAL FIRE for local assistance to the Wildfire County Coordinator Program through the California Fire Safe Council. These local positions increase counties' capacities for wildfire prevention and community safety efforts, leveraging millions of dollars of funding, through a partnership between the county and state agencies.

Year-Round Firefighter Staffing

The final budget agreement sustains \$39 million General Fund in 2025-26 and \$78 million ongoing to transition seasonal firefighter positions to year-round (permanent) positions. The budget agreement includes trailer bill language requiring CAL FIRE to begin employing sufficient permanent firefighting personnel to increase the base period hand crew staffing levels. The budget trailer bill (SB 124) specifies that the department maintain the ability to hire seasonal, temporary firefighters as needed to allow for surge hiring capacity to address emergency fire conditions or other personnel shortages.

Major Shift in Funding for Core Firefighting Budget

The final budget agreement approves a shift of \$1 billion General Fund to the GGRF for core CAL FIRE firefighting and wildfire programs. The fund shift is proposed to taper off over four years through 2027-28 should the state continue to experience General Fund deficits. If the state's fiscal difficulties continue, the following amounts are proposed to be drawn from the GGRF for CAL FIRE operational expenses: \$1.25 billion in 2026-27, \$500 million in 2027-28, and \$500 million in 2028-29. If there is not a projected General Fund deficit, only \$500 million is proposed to be appropriated from the GGRF for CAL FIRE in 2026-27.

CAL FIRE Training Center Cut

The final budget agreement sustains the proposal to revert \$31.4 million in acquisition funding for a new CAL FIRE Training Center. CAL FIRE has stated that they intend to use increased capacity at existing facilities for training, including for the new surge in permanent firefighting forces.

Home Hardening Programs

The final budget agreement sustains \$3 million General Fund onetime for a community home hardening certification program as part of broader wildfire risk mitigation efforts, including measuring risk for communities and individual residential property owners. The funding is contingent upon legislation passed this year to define the program parameters. Funding for home and community hardening is being considered as part of the Cap-and-Trade program and Proposition 4 (2024) bond funding negotiations.

Flood and Water Management*Delta Conveyance Project Trailer Bill Rejected*

The final budget agreement rejects the controversial proposal to accelerate the Delta Conveyance Project and to exempt the project from the California Water Quality Act regional water quality control plans (including the Delta Water Quality Control Plan). CSAC advocated that policies of this magnitude should be considered only through the broader legislative policy process.

Voluntary Agreements Funding Restored

The final budget agreement restores \$351 million General Fund that was proposed to be reverted (eliminated) from previous budget years that was directed for water resilience and habitat restoration projects in the Sacramento and San Joaquin watersheds. These projects to improve aquatic habitat are “Voluntary Agreements” between the water rights holder and the state.

Dam Safety

The final budget sustains \$30 million (\$10 million per year for three years) of additional federal trust fund authority for the Federal Emergency Management Agency’s Federal Rehabilitation of High Hazard Potential Dams Grant Program. CSAC has been working with state and federal partners to elevate the issue of dam safety and provide adequate funding for safety improvements at these critical water facilities.

Cannabis

The final budget agreement includes trailer bill language (SB 141) that approves the Governor's May Revision proposal to shift funding for the Department of Cannabis Control's enforcement efforts from the Cannabis Control Fund to the Cannabis Tax Fund and provides additional support staff and greater flexibility in awarding grants to local governments to address illicit cannabis issues.

Energy

The final budget agreement approves the Governor's May Revision proposal to revert \$33 million of General Fund previously allocated for programs funding community renewable energy projects at the California Public Utilities Commission (CPUC). The final budget agreement also approves the Governor's proposal to revert a total of \$315.8 million General Fund from previous Climate-Energy Package appropriations.

Air Quality

The final budget agreement includes \$1 million from the General Fund for the California Air Resources Board (CARB) to be allocated to the South Coast Air Quality Management District to support mobile air monitoring systems. The final budget agreement defers trailer bill language that would have authorized the establishment of fees to cover the regulatory costs to implement the Transport Refrigeration Unit Regulation and the Commercial Harbor Craft Regulation.

Exide Lead-Acid Battery Recycling Facility

The final budget agreement approves the Governor's May Revision proposal for a one-time fund shift of \$35 million from the General Fund to the Lead-Acid Battery Cleanup Fund for the cleanup of residential properties with lead contamination near the former Exide lead-acid battery recycling facility.

Farming, Ranching and Agriculture

Wolf Livestock Compensation Program

The final budget agreement includes \$2 million General Fund to the Department of Fish and Wildlife for the Wolf-Livestock Compensation Program. This program compensates ranchers for direct livestock losses as well as for wolf conflict deterrence.

Farm to School Incubator

The final budget agreement includes \$24.9 million one-time General Fund in 2025-26 for the Farm to School Network and Incubator Grant Program. The program provides funding to support projects that connect local producers with schools, increase educational opportunities related to food and agriculture, and build a more sustainable and equitable food system.

Greenhouse Gas Reduction Fund (GGRF)

As discussed above, the final budget agreement includes a \$1 billion fund shift from the General Fund to the GGRF Discretionary Spending Plan in 2025-26 to support CAL FIRE baseline operations with plans for funding through 2029. Additionally, the final budget agreement includes a one-time fund transfer of \$81 million from the GGRF to the CARB Motor Vehicle Account, which faces insolvency, thereby reducing the amount of GGRF funds available for climate-related activities.

While the long-term reauthorization plan for GGRF remains unresolved at the time of publishing, CSAC has been monitoring conversations and actively advocating for our spending priorities which include local support for organic waste management, wildfire mitigation, transportation, and housing.

Climate Bond

The final budget agreement includes fund shifts around \$300 million from the 2024 Climate Bond (Proposition 4, 2024) to the General Fund for costs related to natural resources and environmental protection. While the final budget agreement rejects the Governor's proposed spending plan for Proposition 4, it also defers details on future expenditures to future budget deliberations.

Administration of Justice

Local Public Safety

Proposition 36 (2024)

The 2025 Budget Act includes \$100 million one-time General Fund that *may* be used for the implementation of Proposition 36. By *entity*, the funding allocations are as follows:

- County behavioral health: \$50 million for the Department of Health Care Services (DHCS) to provide non-competitive grants to counties in adherence with an allocation methodology determined by DHCS and the Judicial Council, focused on planning and capacity building, matching local funds, and other criteria to support implementation of Proposition 36.
- Public defense: \$15 million for the Office of the State Public Defender (OSPD) to provide grants to indigent defense service providers for holistic defense. The final budget agreement removed references to Proposition 36, but the services provided with this funding can be used for implementation.
- Pretrial services: \$15 million for the Judicial Council to fund local pretrial services in 2025-56. This amount is one-time, and pretrial services will be reduced by \$20 million ongoing. As with the above allocation for public defense services, this \$15 million is not earmarked specifically for Proposition 36 implementation.
- Courts: \$20 million for the Judicial Council to distribute to trial courts for the implementation of Proposition 36 based on a methodology that ensures 50% of the funding is allocated based on each trial court's share of non-traffic misdemeanor and felony filings in 2023-24. County and state reporting requirements are also included in the final budget, including, but not limited to, data on the number of Proposition 36 cases filed, the number of individuals treated, and the number of individuals who successfully complete treatment, as well as expenditure reporting.

Proposition 47 Savings Estimate

The 2025 Budget Act includes a Proposition 47 savings estimate of \$88.3 million General Fund in 2025-26. Each year, state savings from the implementation of Proposition 47 (2014) are allocated through grants to public agencies for various recidivism reduction programs such as mental health and substance use treatment services (65% of savings), truancy and dropout prevention (25% of savings), and victims' services (10% of savings). There is an estimated reduction in state savings in future years based on forecasted incarceration

impacts of Proposition 36, passed by voters last November. Proposition 36 repealed portions of Proposition 47, rendering specified drug and theft crimes from misdemeanors to felonies.

Community Corrections Performance Incentive Grant (SB 678)

The Community Corrections Performance Incentive Grant, established by SB 678 (Chapter 608, Statutes of 2009), was created to provide incentives for counties to reduce the number of individuals on felony probation who are admitted to state prison. The 2025 Budget Act does not include an updated funding formula, as negotiations are ongoing.

Juvenile Justice Realignment Block Grant (JJRBG)

The 2025 Budget Act includes trailer bill language (AB 118) to update the JJRBG funding formula to incentivize less restrictive placements (LRPs) over secure youth treatment facilities (SYTF) for youth, as well as various allocation percentage adjustments, such as the per-county percentage of total wards who were *not committed* to an SYTF. Importantly, the total funding amount of \$208 million is maintained, however the new elements included in the updated formula raise significant fiscal, policy, and local public safety considerations.

Office of Emergency Services (Cal OES)

Victims of Crime Act (VOCA)

The 2025 Budget Act includes \$100 million General Fund one-time to supplement the federal Victims of Crime Act, with \$97 million allocated for grants and \$3 million allocated for grant administration via Cal OES.

Importantly, other funds available for victim service providers include \$10 million General Fund for grants to family justice centers throughout the state to provide legal services to victims of domestic violence, intimate partner violence, sexual assault, child abuse, elder abuse, transnational abandonment, and human trafficking, and help victims file petitions for protective orders, including domestic violence restraining orders and gun violence restraining orders.

Board of State and Community Corrections (BSCC)

BSCC Civil Action Authority

The 2025 Budget Act includes trailer bill language (AB 134) that authorizes the BSCC to take civil action when a juvenile detention facility is found by the Board to be unsuitable for youth

confinement. These changes allow a superior court to order specified relief, including corrective action plans (CAP) or injunctive relief, for a facility that fails to meet the state's minimum standards for operating a juvenile detention facility. Accordingly, non-compliant CAPs would be subject to BSCC oversight.

The 2025 Budget Act also provides for the following:

- \$7 million ongoing General Fund to the Internet Crimes Against Children Taskforce program to support 5 existing taskforces that support statewide efforts.
- \$5 million ongoing General Fund to the California Highway Patrol (CHP) for positions in the Computer Crimes Investigation Unit to assist in child sexual abuse material and human trafficking cases.
- Reappropriates \$2.9 million for the Adult Reentry Grant, with expenditure authority until June 30, 2029.

Department of State Hospitals (DSH)

Incompetent to Stand Trial (IST) Solutions

The 2025 Budget Act includes reductions to various programs that were part of the IST solutions package in the 2022 Budget Act. Such programs include Early Access and Stabilization Services (EASS) and Jail-Based Competency Treatment (JBCT), totaling an estimated reduction of \$10.9 million General Fund in 2024-25, \$37.8 million in General Fund 2025-26, \$39 million General Fund in 2026-27, and \$51 million General Fund in 2027-28 and ongoing. This proposed reduction will not impact counties with existing contracts or contracts under active negotiation with DSH.

Additionally, the 2025 Budget Act reverts \$232.5 million General Fund from the 2022 Budget Act for unspent grant funds for counties to increase residential treatment housing capacity for IST patients. Please see the Judicial Branch section below for impacts to IST evaluations within the courts.

California Department of Corrections and Rehabilitation (CDCR)

The 2025 Budget Act includes total funding of \$13.6 billion for CDCR (\$13.2 billion General Fund and \$385.4 million other funds). Of this amount, \$4.1 billion is specifically intended for healthcare services. CDCR will work to identify additional savings via operational efficiencies and projects additional savings associated with a future prison closure of \$150 million annual savings at full closure.

Similar to the May Revision, the 2025 Budget Act projects that Proposition 36 will cause a temporary increase of the prison population to 91,205 in 2025-26 to 92,179 in 2027-28 but maintains an overall downward trend to 89,692 by June 30, 2029. The average daily parolee population is projected to be 34,197 in 2025-26. The parole population is projected to remain relatively stable over the next few years at 34,213 by June 30, 2029.

Other items include:

- \$21.5 million in 2025-26 and \$11 million ongoing in increased reimbursement authority for the California Advancing and Innovating Medi-Cal Justice-Involved Initiative (CalAIM JI).
- A reduction of \$6.2 million General Fund in 2025-26, an increase of \$3.8 million in 2026-27, and a reduction of \$11 million annually thereafter to support the full implementation of the CalAIM JI.
- \$17.6 million General Fund in 2025-26 and \$20 million in 2026-27 to initiate an air-cooling pilot program at three prisons to evaluate the effectiveness of various air-cooling alternatives and provisional budget bill language for reporting to the Legislature.

Judicial Branch

The 2025 Budget Act includes \$5 billion for the Judicial Branch (\$3.1 billion General Fund), with \$2.9 billion to support trial court operations. Additionally, the 2025 Budget Act provides for the following:

- \$40 million ongoing General Fund for increased trial court operations costs.
- Restoration of \$42 million General Fund cut in the 2024 Budget Act by instead utilizing available reserves in the Trial Court Trust Fund on a one-time basis.
- \$1 million ongoing General Fund for new trial court operations authorized by SB 42 (Chapter 640, Statutes of 2024) related to changes to the Community Assistance, Recovery, and Empowerment (CARE) Act.
- Reappropriates \$3.4 million for Incompetent to Stand Trial (IST) evaluations and \$1.4 million for the development of a Community Mental health dataset pursuant to SB 929 (Chapter 539, Statutes of 2022).

Department of Justice (DOJ)

The 2025 Budget Act provides \$1.3 billion for the California DOJ, including \$496 million General Fund. Additionally, the following items are included:

- \$2.4 million and 4 positions in 2025-26 and \$812,000 in 2026-27 and ongoing to implement AB 1877 (Chapter 811, Statutes of 2024), related to juvenile record sealing.
- \$5 million one-time General Fund and trailer bill language (AB 134) to establish a Tribal Police Pilot.
- \$2.2 million General Fund and 14 positions and \$1.9 million in 2026-27 and ongoing to maintain time-sensitive firearm workloads within the Firearm Clearance Section's Eligibility Clearance Program and Quality Support Program.

Government Finance and Administration

Fiscal Relief for Counties Impacted by Disasters

January 2025 Wildfires

In late January, the state appropriated \$2.5 billion to support the wildfire response and recovery efforts related to the January wildfires in the Los Angeles area (ABX1 4 and SBX1 3). In April 2025, the state enacted AB 100, an early action budget trailer bill, to expand the allowable uses of the existing wildfire recovery funds to include the following:

- *Property Tax Backfills*—Provide property tax backfills to affected taxing entities (counties, cities, and independent special districts) for property tax losses occurring in the 2024-25 and 2025-26 fiscal years resulting from damage caused by the Eaton and Palisades fires.
- *State Cash Flow Assistance for Local Agencies*—Allow state funding to be allocated to Los Angeles County or cities within the county for unmet wildfire response and recovery needs. Any funding received cannot duplicate or replace the benefits in existing assistance programs. To the extent the local agencies receiving the state funding are reimbursed for local response and recovery efforts, presumably by the federal government, those funds would be deposited back into the state General Fund. This approach essentially provides cash flow relief for local agencies to reduce the impacts of waiting for reimbursement from the federal government.

In addition, the 2025 Budget Act allows the Director of Finance to make up to \$1 billion in General Fund loans available to eligible entities in Los Angeles County for public purposes related to recovery from the January 2025 wildfires in the county. This provision is operative only if future trailer bill language establishing the terms of the loans is enacted in the 2025 legislative session.

Wildfires in Previous Years

The 2025 Budget Act also includes \$407,000 in 2025-26 to reimburse three counties (Butte, Tehama, and Orange) for property tax losses incurred as a result of wildfires during previous fiscal years.

Educational Revenue Augmentation Fund (ERAF)

For the first time, the enacted budget does not fully fund the backfill needed to hold counties with insufficient ERAF harmless under the Vehicle License Fee reduction made in 2004. The

2025 Budget Act arbitrarily cuts the backfill by one third, appropriating only \$79 million to backfill Alpine, Mono, and San Mateo counties, which is \$39.4 million less than the total amount needed (\$118.4 million). While the Legislature's proposed budget included the total amount needed, the final budget agreement between the Administration and Legislature reflected the reduced amount.

Tax Proposals

Several tax proposals proposed by the Administration were included in the 2025 Budget Act. This includes: (1) increasing the annual Film and Television Tax Credit 4.0 award cap from \$330 million to \$750 million; (2) excluding military retirement pay and survivor benefits as income for state tax purposes for taxpayers under certain income thresholds; and (3) excluding wildfire settlements received beginning in the taxable year 2021 from taxable income, among others.

State-Mandated Programs

The 2025 Budget Act includes a total of \$94.1 million to reimburse local governments for costs incurred to implement state-mandated programs in 2025-26. See SB 101 for a complete list of state-mandated programs that are either funded or suspended in 2025-26.

To address revenue constraints or increasing costs, the state will suspend some mandated programs via the state budget. While a mandate is suspended, the requirement remains in law; however, local governments are not required to comply with the state-mandated requirements in that fiscal year and the state has no reimbursement obligation.

As discussed in CSAC's 2025-26 May Revision Budget Action Bulletin, the Administration proposed a different strategy to suspending mandated programs – suspending the requirements of a few mandates retroactively. This means that the state purports that it does not have to reimburse claims by local governments for costs already incurred during the suspension time frame, even though they were in effect at the time services were performed, and costs incurred. In the May Revision, the Administration proposed to retroactively suspend four mandates related to stormwater permit requirements from the period of December 2009 to December 2017. Final costs for these four mandates total around \$4 million and would not have a direct out-year fiscal impact for the state. However, despite the *de minimis* impact on the state budget and the LAO's recommendation to reject the Administration's proposal and instead reimburse local governments' past costs, the final budget approves the suspension of these four mandates.

Health and Human Services

Notable Health and Behavioral Health Budget Solution Outcomes

- *Medi-Cal Asset Limit* – AB 116 (health trailer bill) restores the Medi-Cal asset limit to \$130,000 for individuals plus an added \$65,000 for each additional household member beginning January 1, 2026. The Governor had proposed reinstating the Medi-Cal asset limit to \$2,000 for individuals in the May Revision.
- *Freeze Enrollment for Full-Scope (State-Only) Medi-Cal Expansion for Adults 19 Years and Older* – AB 116 freezes enrollment for full-scope (state-only) Medi-Cal for undocumented individuals ages 19 years and older, beginning January 1, 2026. The enrollment freeze includes a three-month grace period allowing for re-enrollment for those who lose coverage. Additionally, undocumented individuals who are already enrolled in Medi-Cal cannot age out of the program.
- *Medi-Cal Premiums for Adults with UIS* – Establishes a \$30 per month Medi-Cal premium for individuals ages 19 to 59 with unsatisfactory immigration status (UIS) effective July 1, 2027 (exemption from premium for pregnant women). The May Revision had proposed a monthly premium of \$100 for all adults with UIS effective two years earlier on July 1, 2025.
- *Prospective Payment System (PPS) Payments to Federally Qualified Health Centers (FQHCs) and Rural Health Clinics (RHCs) for UIS* – AB 116 eliminates PPS rates for state-only-funded services provided to individuals with UIS no sooner than July 1, 2026. The PPS is a payment system that adjusts for geographic differences in the cost of services based on the delivery site where the services are provided. Following the elimination, these services will be reimbursed at the applicable Medi-Cal Fee Schedule rate in the fee-for-service delivery system and at the applicable negotiated rate between a Medi-Cal managed care plan and FQHC/RHC in the managed care delivery system.
- *Eliminate State-Only Dental Benefits for Adults 19 and Older with UIS* – AB 116 eliminates full-scope, state-only dental coverage for Medi-Cal members ages 19 and older with UIS beginning July 1, 2026.
- *State-Only Long-Term Care Benefits and IHSS for Adults 19 and Older with UIS* – The final budget agreement does not include the Governor's May Revision proposal to eliminate long-term care benefits and IHSS for adults with UIS.

- *Prior Authorization for Hospice* – AB 116 imposes utilization management and prior authorization requirements for Medi-Cal outpatient hospice services no sooner than July 1, 2026.
- *GLP-1 and Acupuncture Coverage* – AB 116 does not include the elimination of acupuncture as an optional Medi-Cal benefit, as proposed in the Governor’s May Revision. However, AB 116 eliminates Medi-Cal pharmacy coverage for Glucagon-Like Peptide-1 (GLP-1) agonists for weight loss, beginning January 1, 2026. GLP-1 agonist drugs will continue to be covered for diabetes.
- *Skilled Nursing Facilities (SNFs)* – AB 116 eliminates the Workforce and Quality Incentive Program for SNFs effective January 1, 2026, and suspends the requirement for SNFs to maintain a backup power system that functions for at least 96 hours.
- *Behavioral Health Services Fund (BHSF) General Fund Offset* – The final budget provides \$85 million from the BHSF to offset General Fund costs for the Behavioral Health Bridge Housing program.
- *Proposition 56 Supplemental Payments* – The final budget eliminates supplemental Medi-Cal provider payments for dental services supported by Proposition 56 tax revenue by July 1, 2026. However, the final agreement does not include the elimination of Proposition 56 supplemental Medi-Cal payments for family planning and for women’s health services, as proposed in the Governor’s May Revision.
- *MCO Provider Tax* – The final budget includes \$1.3 billion in General Fund savings in 2025-26 and \$264 million in 2026-27 from Proposition 35. The final budget reflects \$804 million in 2024-25, \$2.8 billion in 2025-26, and \$2.4 billion in 2026-27 for the MCO tax and Proposition 35 [expenditure plan](#). This includes \$1.6 billion across 2025-26 and 2026-27 to support increases in managed care base rates relative to Calendar Year 2024 for primary care, specialty care, ground emergency medical transportation, and hospital outpatient procedures.
- *Pharmacy Drug Rebates* – The final budget agreement implements a rebate aggregator to secure state rebates for individuals with UIS. Estimated General Fund savings are \$300 million in 2025-26 and \$362 million ongoing. The final budget also increases the minimum rebate for HIV/AIDS and cancer drugs, resulting in an estimated savings of \$75 million in 2025-26 and \$150 million ongoing.

Behavioral Health Services Act (Proposition 1)

The 2024 Budget Act included \$85 million (\$50 million General Fund) for counties to begin administering the Behavioral Health Services Act (BHSA) as passed by the voters under Proposition 1 in March 2024. The final budget maintains the \$93.5 million in 2025-26 for

counties to continue implementation efforts under the BHSA, as proposed in the Governor's May Revision. However, as previously noted, \$55 million of the \$93.5 million total that had been funded with General Fund will be swapped out with part of the state's portion of Behavioral Health Services Fund (BHSF) dollars.

The final budget also includes \$190.2 million in 2025-26, \$427.5 million from 2026-27 through 2029-2030, and 57 permanent staff positions for the Department of Health Care Access and Information (HCAI) to implement the Behavioral Health Workforce Initiative beginning in January 2026. Proposition 1 directs HCAI to implement a comprehensive workforce initiative to build and support a robust and diverse behavioral health workforce capable of providing high-quality, holistic services to all Californians. The initiative is to be developed in consultation with various stakeholders, including DHCS, behavioral health professionals, counties, education and training programs, and consumer advocates. These resources will be used to implement and administer the BH-CONNECT Workforce Initiative.

The final budget also includes \$54 million Behavioral Health Services Fund, \$20 million Opioid Settlement Fund, and \$52 million federal funds in 2025-26 to support DHCS efforts to implement Behavioral Health Transformation. Additionally, the final budget provides approximately \$12.5 million in 2025-26 through 2028-29, and approximately \$3.5 million in 2029-30 and ongoing, to support 22 positions at DHCS and one-time contracting resources to implement the Behavioral Health Infrastructure Bond Act.

988 Suicide and Crisis Lifeline Centers

The budget includes \$17.5 million (one-time General Fund) from the 988 State Suicide and Behavioral Health Crisis Services Fund to provide additional support to 988 Suicide and Crisis Lifeline Centers.

Public Health

Future of Public Health Funding Maintained

The Budget preserves the Future of Public Health investment, which provides approximately \$276 million General Fund annually, with roughly \$188 million dedicated to local public health. Originally appropriated through the 2022 Budget Act, the Future of Public Health funding has been a critical investment in California's public health readiness and response to existing and emerging public health threats. Local health departments have hired more than 1,100 staff positions using these funds, leading to strengthened local programs, services, and partnerships to reduce health disparities.

Public Health IT Infrastructure Funding Restored

The final Budget includes approximately \$31.5 million one-time funding to support the maintenance and operations for the California Vaccine Management System, also known as myCAvax. Without this funding, health care providers, the state, and local health departments would have had to return to using spreadsheets and manual calls to track vaccination distribution and records management.

CSAC, alongside county partners, [advocated](#) to maintain critical Future of Public Health Funding and formally requested restoration of funding for the myCAvax system.

Emergency Regulations for Acute Psychiatric Hospitals

The final budget includes budget trailer bill language requiring the Department of Public Health to adopt emergency regulations by January 31, 2026, for acute psychiatric hospitals/facilities not operated by the Department of State Hospitals. The final budget agreement also allocates \$1 million in 2025-26 to the Department of Public Health to support investigations of complaints against acute psychiatric hospitals.

HUMAN SERVICES**In-Home Supportive Services**

The In-Home Supportive Services (IHSS) program provides assistance and services to eligible older or disabled individuals to help them remain safely in their homes.

IHSS Collective Bargaining

The 2025 Budget Act includes \$3.3 million for operations and staffing for statewide IHSS collective bargaining. The funding would be provided to the California Department of Human Resources (CalHR) and could also be used for an interagency agreement with the California Department of Social Services (CDSS). AB/SB 129 (labor trailer bill) specifies that this funding could only be utilized when specific legislation is enacted, either AB 283 or a bill providing for an appropriation that specifies the use of this funding.

AB 283 is a bill related to IHSS collective bargaining that CSAC has been actively engaged on this year. CSAC, the County Welfare Directors Association (CWDA), and the California Association of Public Authorities (CAPA) negotiated with the author and sponsors over the past several months and recently [reached agreement on a series of amendments](#) that

address county concerns. CSAC will continue to work on this bill as a top priority as it moves forward in the legislative process.

It should be noted that earlier in the week, AB/SB 129 contained different language related to IHSS collective bargaining when the trailer bill was first amended. The initial language would have required the creation of a statewide bargaining advisory committee that would issue a series of reports on various aspects of potential statewide bargaining over a several year period. Further, it would have indicated the intent of the Legislature to begin the transition to IHSS collective bargaining no earlier than January 1, 2030. The IHSS provider unions that are sponsoring AB 283 (SEIU and UDW) raised significant concerns with that initial language.

IHSS Late Penalties

AB/SB 118 (human services trailer bill) contains a modified version of the May Revision proposal to shift the costs of certain IHSS late assessment penalties from the state to counties. These penalties relate to the Community First Choice Option (CFCO) component of IHSS that provides an enhanced federal match. AB/SB 118 would require the state and counties to split the cost of these penalties in 2025-26, and for counties to pay the full cost starting in 2026-27. The May Revision would have shifted the full cost to counties starting in 2025-26, and CSAC opposed that proposal. The trailer bill outlines that counties would owe this amount separate from the maintenance of effort, pay for the months in which the enhanced payment is not received, and that guidance on implementation of this process will be developed in consultation with CWDA.

IHSS Budget Solutions

The final budget agreement rejects or modifies the IHSS budget solutions that were proposed in the May Revision. Specifically, the proposals to cap IHSS provider hours for overtime at 50 hours per week, eliminate IHSS benefits for those who are eligible for Medi-Cal through the expansion regardless of immigration status, and to conform the IHSS Residual Program with timing of Medi-Cal coverage are all rejected. The proposal to reinstate the asset limit for IHSS at \$2,000 per individual and \$3,000 for couples was modified to reinstate it at \$130,000 per individual and \$195,000 per couple, consistent with the provisions on the asset test for Medi-Cal in the budget agreement.

Child Welfare and Foster Care

Child welfare services and foster care provide a range of services for children who are at risk of, or have been, victims of abuse and neglect.

Tiered Rate Structure Implementation

AB 161 (Chapter 46, Statutes of 2024) enacted a new foster care permanent rate structure with implementation set to occur on July 1, 2027. The May Revision proposed to make implementation of this new rate structure in 2027-28 subject to a trigger provision based on the availability of General Fund revenues in spring 2027. AB/SB 119 (public social services trailer bill) would instead make the implementation subject to a budget appropriation.

Family Urgent Response System (FURS)

The FURS program provides foster youth and their caregivers with the immediate support they need during times of emotional crisis, and links youth and families to needed supports and services to help stabilize the situation. CSAC opposed the May Revision proposal to reduce funding for the program, which receives \$30 million annually, by \$13 million annually ongoing. The 2025 Budget Act would instead reduce funding for the FURS program by \$9 million annually ongoing.

Foster Family Agency Insurance Crisis

The 2025 Budget Act would provide \$31.5 million (\$23 million General Fund) to CDSS related to the FFA insurance crisis. CDSS would be able to distribute this funding to eligible FFAs that experienced a documented increase in the costs of liability insurance. CSAC supported funding to address the FFA insurance crisis.

Mandated Reporting

AB/SB 119 contains several provisions related to mandated reporting for child welfare. First, it would establish a Mandated Reporting Advisory Committee that would be intended to ensure the continuation of the transformation of Mandated Reporting to Community Supporting and elimination of disparities in the child welfare system. Committee members would include representatives of county agencies, labor organizations, community-based organizations, and parents and youth impacted by the child welfare system.

Second, AB/SB 119 would require CDSS, through the State Office of Child Abuse Prevention, to develop a standardized curriculum for mandated reporters by July 1, 2027. The curriculum would be required to reflect the intent of the Legislature to implement this training to

emphasize community-based supports and family preservation services to reduce disparities in the child welfare system.

California Work Opportunity and Responsibility to Kids (CalWORKs)

The CalWORKs program is California's version of the federal Temporary Assistance for Needy Families (TANF) program, which provides temporary cash assistance to low-income families with children to meet basic needs as well as welfare-to-work services to help families become self-sufficient.

Program Streamlining

AB/SB 119 contains language that would implement the May Revision proposal to streamline the CalWORKs program. These policy changes are intended to align with more family-centered approaches to CalWORKs. The May Revision included four significant policy changes – (1) Expand allowable welfare-to-work (WTW) activities; (2) Reassess mandatory activities; (3) Simplify curing of sanctions; and (4) Elimination of CalWORKs RADEP and E2Lite. AB/SB 119 augments the Administration's proposal with four additional changes – (1) First 90-day sanction deferral; (2) Family-centered program flow changes to appointment structure and plan development; (3) Improved access to existing child care and transportation supportive services; and (4) Work Participation Rate county penalty pass-through repeal on a prospective basis.

Nutrition Assistance

The CalFresh program is California's version of the federal Supplemental Nutrition Assistance Program (SNAP), which provides federally funded food benefits for eligible families.

Fruit and Vegetable Pilot Program

The California Fruit and Vegetable Pilot was established to develop a scalable model for increasing the purchase of fruits and vegetables by CalFresh recipients through supplemental benefits. The 2025 Budget Act provides \$36 million General Fund one-time for 2025-26. AB/SB 118 outlines that the required evaluation currently underway would be specific to the pilot projects that operated between February 1, 2023 and January 1, 2025.

Food Banks

The 2025 Budget Act would provide \$52 million General Fund one-time for food banks through the CalFood program, resulting in a total of \$60 million in funding for 2025-26.

Child Care and Early Learning*Rate Increases*

AB/SB 120 (early childhood education and child care trailer bill) establishes an ongoing cost of living adjustment (COLA) beginning in 2025-26 for subsidized child care and preschool programs, with \$70 million General Fund and \$19.3 million Proposition 98 funding.

Emergency Child Care Bridge

The Emergency Child Care Bridge program was first implemented in 2018 and provides time-limited vouchers for child care and child navigator services for children within the foster care system. The final budget includes an early reversion of \$30 million General Fund in 2024-25 and a reduction of \$30 million General Fund in 2025-26 (and ongoing) for the program, leaving approximately \$63.7 million General Fund to support the program. This is a modification of the May Revision proposal to have an ongoing \$42.7 million reduction to the program.

Homelessness

Homeless Housing, Assistance and Prevention (HHAP) Program

There is no funding provided to HHAP in 2025-26. AB/SB 131 (public resources trailer bill) includes a \$500 million appropriation for HHAP that is intended for 2026-27. The trailer bill identifies several conditions that must be met before this funding would be allocated and disbursed. CSAC [maintains significant concerns](#) about the lack of funding in the coming year and intent to fund only half the usual \$1 billion amount in the following year.

Prior to allocation of the \$500 million, AB/SB 131 outlines that there must be legislation enacted that specifies the parameters for a Round 7 of the program. SB 131 also states the Legislature's intent to enact such legislation. The future HHAP Round 7 legislation would need to address the following conditions:

1. Having a compliant housing element
2. Having a local encampment policy consistent with administration guidance
3. Having a prohousing designation
4. Leveraging local resources to scale state investments
5. Demonstrating progress on key housing performance metrics
6. Demonstrating urgency and measurable results in housing and homelessness prevention

Prior to the funding being disbursed to counties, cities, tribes, and continuums of care (CoC), the Director of the Department of Housing and Community Development (HCD), in consultation with the Director of the Department of Finance, must make two declarations related to Round 6 funding. These declarations are – (1) HCD has substantially completed the initial disbursement of Round 6 funding and (2) The county, city, tribe, or CoC has obligated at least 50% of its total Round 6 award.

CDSS Homelessness Programs

The 2025 Budget Act provides restored funding for three CDSS homelessness programs that are administered by counties. CSAC supported additional funding for these programs. Specifically, AB/SB 102 includes one-time General Fund of \$83.8 million for Home Safe, \$81 million for Bringing Families Home, and \$44.6 million above the \$25 million base amount for the Housing and Disability Advocacy Program (HDAP). Bringing Families Home provides

housing-related supports to child welfare involved families and those at risk of homelessness. Home Safe helps prevent homelessness for victims of elder and dependent adult abuse and neglect served by Adult Protective Services (APS). HDAP serves people who are homeless or at risk of homelessness and are likely eligible for disability benefits and housing supports. Budget bill language indicates that this funding will be available for expenditure through June 30, 2028. AB/SB 119 indefinitely extends the waiver of the county match requirement for these three programs.

Encampment Resolution Funding

The 2025 Budget Act provides \$100 million for Encampment Resolution Funding for grants to local jurisdictions to address encampments and transition individuals into permanent housing. Up to \$50 million of this funding shall be reserved for projects that address encampments on state rights-of-way.

New Housing and Homelessness Agency

The 2025 Governor’s Reorganization Plan was submitted on April 4, 2025 and would split the Business, Consumer Services, and Housing Agency into two separate agencies. One of the agencies would be a new Housing and Homelessness Agency. The 2025 Budget Act approves the resources to support this reorganization plan, but makes that approval contingent on the plan going into effect. The Legislature has until July 4 to adopt a resolution to reject the plan.

Shelter Inspections

AB/SB 130 (housing trailer bill) requires counties and cities to perform annual inspections of each homeless shelter in their jurisdiction to determine whether the shelter is substandard. Cities would be responsible for shelters in their jurisdiction with counties responsible for shelters within the county’s jurisdiction. For cities with a population under 100,000, they may partner with the county to conduct the inspection. These provisions were incorporated from a bill, [AB 750 \(Quirk-Silva\)](#), that was moving through the legislative process.

Housing, Land Use, and Transportation

The 2025 Budget Act spending package for the Housing, Land Use and Transportation policy area contains a variety of legislative augmentations that the Administration had either not proposed, or specifically reduced, in the Governor's version of the budget proposed earlier this year. Additionally, the 2025 Budget Act contains a set of trailer bills that modify the California Environmental Quality Act (CEQA) process, building standards development, and create a Vehicle Miles Traveled (VMT) mitigation program to achieve a variety of policy goals that would typically require much negotiation and compromise if attempted through the traditional legislative policy process rather than the budget process.

Housing

The final budget for housing includes ongoing efforts to address the state's housing affordability and availability crisis. We note that these amounts are much smaller than the billions appropriated in past budgets. Additionally, the Legislature approved the Governor's Reorganization Plan, which splits the existing Businesses, Consumer Services and Housing Agency into the California Housing and Homelessness Agency and the Business and Consumer Services Agency. A summary of the most notable funding and trailer bills in the package includes:

- \$620 million to support new housing projects with \$500 million for Low Income Housing Tax Credits and \$120 million in funding for the Multi-Family Housing Program.
- \$100 million for homelessness encampment resolution grants administered by the Department of Housing and Community Development (HCD). Eligible grant activities are focused on resolving critical encampments as well as transitioning individuals into permanent housing. Additionally, up to half the funding (\$50 million) is reserved for county or city led projects to resolve encampments on state's rights-of-way, such as state highways, river bottoms and flood control infrastructure that meet HCD priority criteria.
- Trailer bills (SB/AB 130 and SB/AB 131) that make significant changes to the CEQA process to reduce the initial study requirements for a variety of housing and other types of development projects as a means to expedite these projects.
 - Additionally, SB/AB 131 creates or expands a variety of CEQA exemptions for the following types of projects:

- Linear broadband projects that occur in the right-of-way of existing county roads,
 - New agricultural employee housing projects and projects consisting exclusively of the repair or maintenance of an existing farmworker housing project,
 - Projects to provide sewer service to a disadvantaged community served by one or more inadequate sewage treatment systems,
 - Wildfire risk reduction projects, including those that utilize prescribed fire, engage in defensible space clearance, and create fuel breaks,
 - Rezoning projects that are needed to implement an approved housing element under certain conditions. (The bill would still allow counties to determine if a project pursued as a result of the rezoning is exempt from CEQA.)
- Aspects of AB 609 (Wicks), which facilitate increased housing production for infill sites in urban areas by providing exemptions to CEQA procedures.
 - Elements of AB 306 (Rivas/Schultz), which limit state and local government ability to modify portions of state and local building standards and codes, from October 2025 through June 2031.
 - Begin allowing affordable housing developers funded by HCD to leverage the equity in their affordable housing projects to finance further investments in affordable housing projects, subject to specified limitations.

Transportation

The final 2025 Budget Act agreement preserves some of the funding commitments made in past budgets for transportation projects. However, the notable exception is that the capital augmentations that were promised to begin in 2025-26 for transit capital programs funded with Greenhouse Gas Reduction Funds (GGRF) are not included. Although the Legislature restored the General Fund commitments to the transit capital program, the final outcome of the amount of GGRF commitments that will be available is subject to the ongoing negotiations between the Legislature and Administration on the program extension.

A summary of the most notable funding and trailer bills in the package includes:

- Retains approximately \$1.5 billion for transit service providers that the Governor proposed to cut in the May Revision budget proposal.
- \$100 million for the Active Transportation Program, which encourages projects that increase the use of active modes of transportation, such as walking and biking.

- Establishes a voluntary VMT mitigation bank that allows counties to direct their required transportation VMT mitigation funding to a program that funds infill affordable housing projects and related infrastructure projects in their region. CSAC will stay involved as this effort transition to state guideline development to ensure the variety of VMT mitigation quantification and cost estimation methodologies that will be adopted are relevant and useful for all counties.

Indian gaming Special Distribution Fund:

The final budget agreement includes trailer bill language that removes the ability for resources from the Indian Gaming Special Distribution Fund (SDF) to be used to provide funding to counties and cities that are impacted by tribal government gaming. The SDF was established in the early 2000s after the voters approved the initiative that allows tribes to expand gaming operations on their lands in exchange for state regulation. We note that since the fund was created, counties and local governments are statutorily identified to be the last priority to receive resources from this fund. Although counties received funding from the SDF in the early 2000s, this funding was redirected to fund state gaming regulatory activities during past budget shortfalls and local governments have not received any SDF funding in many years.

Initial Draft List of Major State and Federal Budget Changes Impacting the County, by implementation date
 Not inclusive of all changes impacting the County.

State or Federal	Policy Area	Program	Summary	Implementation
Federal	Environment	EPA	Elimination of EPA Environmental and climate justice block grants	2025-07-04
State	Health	Medicaid	Medi-Cal Asset Test Limits	2026-01-01
State	Health	IHSS	IHSS Asset Test Limits	2026-01-01
State	Health	Medicaid	Enrollment Freeze for Full-Scope Medi-Cal Expansion to Undocumented Californians, Adults Ages 19 and Older	2026-01-01
Federal	Health	Medicaid	Limits on State-Directed Payments	2026-07-01
State	Health	IHSS	Community First Choice Option Late Penalties	2026-07-01
State	Health	Medicaid	Elimination of Dental Benefits for Adults with Unsatisfactory Immigration Status, Ages 19 and Older	2026-07-01
Federal	Health	SNAP	SNAP-Ed Mandatory Funding Eliminated	2026-10-01
Federal	Health	Medicaid	Provider Tax Restrictions	2026-10-01
Both	Health	Medicaid	CalAIM 1115 Demonstration & 1915(b) Waiver Expires	2026-12-31
Federal	Health	Medicaid	Medicaid (Community Engagement) Work Requirements	2026-12-31
State	Health	Medicaid	Medi-Cal Premiums for Adults with Unsatisfactory Immigration Status, Ages 19-59	2027-07-01
Federal	Human Services	SNAP	SNAP Administrative Cost Shift begins	2027-10-01
Federal	Energy	Tax Credits	45Y Clean Electricity Production Credits Terminate for Wind & Solar	2027-12-31
Federal	Human Services	SNAP	SNAP benefit cost sharing begins, based on error rate: 15% match expected	2028-10-01
Federal	Health	Medicaid	Medicaid cost sharing begins for expansion population	2028-10-01