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CSAC Legislative Update: 2025 Legislative Session Concludes

Saturday, September 13, 2025

To: CSAC Board of Directors

CC: All County Supervisors

County Administrative/Executive Officers

From: Graham Knaus, Chief Executive Officer

Justin Garrett, Interim Chief Policy Officer

RE: 2025 Legislative Session Wrap-up

Good afternoon Supervisors,

As major league baseball star <u>Yogi Berra</u> famously quipped, "It ain't over 'til it's over." This sentiment is particularly apt to capture the atmosphere of fast-paced change and uncertainty that drives the final two weeks of the legislative year—known as the "end of session"—the mad dash to determine the fate of pending legislation. After many late nights, we write today to provide an update from Sacramento regarding final outcomes of the first year of the 2025-2026 Legislative Session.

The Legislature was required to conclude their business for the year by midnight on Friday, September 12. However, through the waiver of certain self-imposed rules, the Legislature extended their deadline to conclude their business on Saturday, September 13 and wrapped up this afternoon. Lawmakers and CSAC staff worked late into the evenings during the last two weeks approaching this final deadline to determine the fate of more than 850 bills, including 18 budget trailer bills introduced earlier this week.

Amidst some twists and turns on several CSAC priority bills in the final days, the CSAC advocacy team was able to achieve hard-fought positive outcomes for counties. Securing advanced funding for the special election, quicker distribution of homelessness funding, the defeat of bills with unfunded county mandates, and many other advocacy achievements required significant lobbying from the CSAC team, coordination with county partners, engagement from county leaders, and an aligned

Notable events and actions significant for counties that occurred this week include the following:

Funding for November Special Election

In response to heavy <u>advocacy</u> from CSAC including <u>coordinating efforts to push back</u> on the notion that counties could absorb these costs or be reimbursed, the Administration announced that counties will receive full funding, in advance, for California's special election in November. Counties will receive more than \$250 million, the letter and specific county allocations can be found <u>here</u>. Read more about CSAC's advocacy and access resources for counties as this process continues to unfold <u>here</u>.

Questions? Contact Emma Jungwirth, Senior Legislative Advocate, at ejungwirth@counties.org

Brown Act Modernization

SB 707 (Durazo) represents the most sweeping and ambitious changes to the Brown Act in several years. CSAC worked throughout the year to carefully craft the bill's language to balance the best interests of county governments and the accessibility of public meetings. The bill extend sunset dates on laws that provide meeting participation flexibility, add new flexibility for multi-jurisdictional bodies, and address challenges in recruitment and retention for advisory bodies by allowing them the flexibility to meet remotely. New requirements are tempered by language that provides needed legal protection, ability to use lower-cost tools, and greater flexibility to administer. SB 707 was passed by the Senate Saturday afternoon as one of the final bills taken up before adjournment.

Questions? Contact Eric Lawyer, Senior Legislative Advocate, at elaywer@counties.org

Cap-and-Trade Reauthorization

Legislators have negotiated the fate of the greenhouse gas reduction fund (i.e., "capand-trade" program—California's strategy to reduce greenhouse gas emissions) since the spring, with the program set to expire in 2030. The negotiations have been described as messy, contentious, chaotic, and opaque. This process resulted in a massive legislative climate package that, among other things, extends the program to 2045. The compromise that the Administration and lawmakers finally reached was achieved less than 72 hours before the original deadline for the legislative session to end. The lateness of the agreement, and therefore the lateness of the bill amendments, forced the Legislature to waive certain rules and extend their deadline through Saturday, September 13, when these bills were adopted. (What's the 72hour rule? Find out here.) Throughout the year, CSAC advocated for local government priorities for greenhouse gas reduction program revenue allocations. CSAC supported the final Cap-and-Trade package, which included important investments for transportation, housing, and wildfire prevention, while highlighting the need to continue working on a revised expenditure plan that addresses organic waste management and climate adaptation infrastructure.

Warehouses Clean-Up Language

CSAC supported AB 735 (Carrillo) and SB 415 (Reyes), a legislative package that honors the commitment of the Legislature to address counties' implementation concerns with legislation from 2024 regarding planning and zoning of warehouses (AB 98, Chapter 931, Statutes of 2024). SB 415 was ultimately passed in the early hours of Saturday morning. For background, AB 98's sweeping, one-size-fits-all mandates extended to every local government in the state, even in regions with no warehouses or related development. CSAC worked to secure late session amendments to SB 415 to address county concerns including ensuring that counties that don't have warehouses are excluded from AB 98's provisions, allowing counties to comply with provisions by ordinance instead of being required to update their general plan, and securing more time to comply with AB 98 for counties with warehouses that have populations of under 100,000.

Questions? Contact Mark Neuburger, Legislative Advocate, at mneuburger@counties.org

September Budget Package

This week, just before the end of the 2025 Legislative Session, the Legislature added eighteen bills to their already daunting workload in the form of a September Budget Package. An <u>analysis</u> of the package released by the Assembly Budget Committee on Tuesday characterizes it as "a continuation of June budget discussions," explaining that "The June 2025 budget package deferred action on some items to allow more deliberation, with the intent that the Legislature would revisit the budget at the end of the 2025 Legislative Session." Items of relevance to counties that CSAC advocated for and were included in this budget package include the allocation of Proposition 4 bond funds (the 2024 Climate Bond), actions to prepare for the implementation of federal H.R. 1, and clarifying changes to allow counties to effectively administer the statewide special election. Read more about the other budget trailer bills and the implications for local governments in the <u>CSAC</u> bulletin.

Questions? Contact Justin Garrett, Interim Chief Policy Officer, at jgarrett@counties.org

CalFresh Funding

CSAC led a <u>county coalition</u> highlighting the significant county cost increases that will result from the implementation of federal H.R. 1 and the need for state action to help counties preserve safety net programs. The September Budget Package includes up to \$40 million (\$20 million GF) for counties to address increased workload for implementation of expanded work requirements for CalFresh. It also provides funding and outlines multiyear activities for the California Department of Social Services to work with counties and other stakeholders to lower the state's CalFresh error rate. This effort is intended to reduce the share of cost for CalFresh benefits that the state will face once that provision of H.R. 1 is implemented.

Housing, Assistance and Prevention (HHAP) program in 2026-27. SB 158, one of the budget trailer bills included in the <u>September Budget Package</u>, would require the Housing and Community Development Department to begin work to administer Round 7 of the HHAP program with the goal to disburse funding beginning September 1, 2026. CSAC coordinated efforts and pushed strongly for this Round 7 funding to be distributed as quickly as possible including a <u>specific request</u> for the September 1 date. While debate over other provisions in the bill unrelated to the HHAP provision initially held up <u>SB 158</u>, it ultimately was passed before the end of session.

Questions? Contact Justin Garrett, Interim Chief Policy Officer, at jgarrett@counties.org

Government Liability

<u>CSAC supported SB 577 (Laird)</u>, which would have maintained substantial compensation for victims of childhood sexual assault while providing some safeguards to counties, schools and other public agencies facing an unprecedented wave of lawsuits and for claims dating back decades due to the recent laws that reopened the statutes of limitations for these crimes. Ultimately, SB 577 was moved to the Assembly "inactive file." <u>CSAC continues</u> to urge the Administration and legislative leaders to address the fiscal crises facing local governments and forge a path forward.

Questions? Contact Eric Lawyer, Senior Legislative Advocate, at elaywer@counties.org

Automated Decision Systems (ADS) in the Workplace

CSAC opposed <u>SB 7 (McNerney)</u> and <u>AB 1018 (Bauer-Kahan)</u> which sought to regulate the use of artificial intelligence (AI) and ADS in the public and private sectors. These bills were far too broad in scope, limited innovation and technological advancement, and imposed significant implementation costs on counties without the possibility of reimbursement. While AB 1018 was placed on the "inactive file" at the last minute, SB 7 is heading to the Governor's desk. CSAC remains strongly opposed to SB 7 and is urging a veto.

Questions? Contact Emma Jungwirth, Senior Legislative Advocate, at ejungwirth@counties.org

Local Contracting Efforts

The latest effort to restrict contracting at the local level, <u>AB 339 (Ortega)</u>, advanced to the Governor's desk. The bill would require local agencies to notify employee unions a minimum of 45 days before conducting a procurement effort, including a request for proposals, request for quotes, or renewing or extending a contract. The bill includes only a vague exemption for emergency or exigent circumstances. While the bill provides an exemption for public works contracts, it provides no similar exemptions for other categories of contracts and places no cost thresholds or minimum terms for when the rules are invoked. CSAC and other local government advocates are requesting a <u>veto</u> on this priority bill.

In-Home Supportive Services (IHSS) Collective Bargaining

AB 283 (Haney) would transition IHSS collective bargaining from counties to the state. After months of negotiations, CSAC <u>secured amendments</u> to the bill to address county concerns, and provide clarity that counties would not be responsible for the increased costs that the state agrees to in statewide bargaining. Ultimately, the author made AB 283 a two-year bill to allow more time for discussions with the Administration and several separate IHSS provisions were included in the human services budget trailer bill in the <u>September Budget Package</u>.

Questions? Contact Justin Garrett, Interim Chief Policy Officer, at jgarrett@counties.org

Surveillance and Security

Earlier this year, local agencies and schools were amended into a bill aiming to restrict the use of tools that could be used to surveil workers. AB 1331 (Elhawary) would have also severely restricted routine tools used to keep workplaces safe or to conduct business. CSAC and a broad coalition of local agencies, school organizations, and the business community opposed the bill. The bill was moved to the inactive file on the second-to-last night of session due to a lack of support on the Senate floor.

Questions? Contact Eric Lawyer, Senior Legislative Advocate, at elaywer@counties.org

The Work Continues: CSAC Elevates the County Voice

Your CSAC advocacy team remains engaged on a number of these bills that have moved to the Governor's desk. Governor Newsom has until Monday, October 13 to sign or veto legislation. In these critical weeks, CSAC will make requests for the Governor to veto or sign legislation consistent with the best interests of counties. CSAC encourages counties to continue to engage with our advocacy team as we direct our efforts toward the Administration. Behind the curtain, the Administration is considering the cumulative fiscal impact of the legislation before the Governor, as the state's Department of Finance is already building the Governor's 2026-27 budget proposal.

Three Ways to Stay Updated on Legislative Outcomes

- 1. Visit our <u>legislative tracking page</u> on our website, including a <u>report on the</u> <u>status of key legislation</u> for local governments.
- 2. Check out our <u>weekly bulletin</u>, where we will publish comprehensive updates on the outcome of legislation for each policy area in the coming weeks.
- 3. Register to attend our virtual Newly Chaptered Legislation Webinar on Thursday, November 6 at 1:30pm.

Please do not hesitate to contact me or <u>CSAC legislative staff</u> with questions about specific bills or policy areas. Together, we can make a difference for California's

Respectfully,

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