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End of Session September Budget Package: How, Why, and What Does it Mean?

BY

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With the Legislature's [June 15 deadline](#) to pass a balanced budget nearly three months behind us, it would be reasonable to assume that California's spending plan for the 2025-26 fiscal year has long been set in stone. The introduction of eighteen new budget bills during the last week of the 2025 Legislative session, which amend the 2025 Budget Act and include new appropriations and implementation measures, proves that assumption wrong. So, how does the state extend the budget-making process into the fall despite constitutional deadlines, and what does this new budget package mean for county governments? Let's investigate.

What Happened this Week?

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 [analysis](#) 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 significance include the allocation of Proposition 4 bond funds and actions offsetting projected costs of the federal government’s enactment of HR 1.

This late package of new budget bills is unusual given its magnitude, but not entirely without precedent. A look at California’s budget process shows how the Legislature is able to defer action and extend budget negotiations through the end of session.

The California Budget: a Sum of Parts

California’s budget is a process rather than a singular product. For example, on June 15, the Legislature enrolled the [2025 Budget Act](#), meeting the annual deadline for the passage of a balanced budget set by Proposition 25 (2010). While this massive bill included the bulk of the state’s funding appropriations, it was passed with an understanding that additional implementation language and adjustments would be included in budget trailer bills. This is possible thanks to secondary budget bills not beholden to the June 15 deadline, colloquially the *budget trailer bills* and *budget bill(s) junior*. Budget trailer bills pertain to specific topics like health, education, or labor, providing additional implementation language for policies consistent with the budget act, whereas budget bills junior amend the budget acts themselves.

By the time the 2025 Budget Act was signed by the Governor on June 27, more than twenty budget trailer bills and a budget bill junior were also on their way to enrollment. While there is no deadline for the Legislature to approve budget *trailer* bills similar to the constitutional deadlines for the budget *act* bills, they are generally passed by the end of June, with negotiations on especially controversial trailer bills sometimes extending into July or August. Thanks to an exemption provided for *urgency clause bills*, which take effect as soon as they are enacted, the bills related to the state budget are not subject to the [August 29th deadline](#) for fiscal committees to meet and report bills to the floor, as previously reported by CSAC.

Read [CSAC’s comprehensive analysis of the 2025 Budget Act and accompanying trailer bills in our Budget Action Bulletin](#).

End of Session Budget Package Tracking

CSAC’s legislative affairs team will continue to track this last-minute budget package and engage with lawmakers on important issues as the end of session unfolds. Listed below are the budget bills introduced this week as well as summaries of provisions particularly important to county governments. For questions about specific bills or other policy issues, please contact the [CSAC Legislative Affairs team](#).

2025 Budget Act: Budget Bills and Trailer Bills
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Bill*	Notes
<p><u>AB/SB 105:</u> Budget Acts of 2021, 2023, 2024, and 2025 ("Budget Bill Jr.," amendments to prior budget acts)</p>	<p>This budget bill junior provides modification and clean-up to the previous four Budget Acts, including the 2025 Budget Act (enacted on June 27 of this year). Notably, the bill allocates Proposition 4 bond funds. It also provides an augmentation of \$40 million (\$20 million General Fund) for increased county workload for CalFresh that CSAC supported. The implementation of H.R. 1 will result in <u>significant cost increases</u> for counties as they work to implement the various provisions and protect safety net services.</p>
<p><u>AB/SB 144:</u> Health</p>	<p>This trailer bill implements a wide range of health-related provisions to the 2025 Budget Act. Specifically, it would expand state healthcare and immunization authority, prepare for the 2028 Olympics, expand access to gender affirming care and reproductive services, and reduce administrative burdens across departments, among other provisions. Notably, the measure exempts foster youth and nonminor dependents with unsatisfactory immigration status from the Medi-Cal monthly premium and service limitations enacted in the 2025 Budget Act. Additionally, these individuals will remain eligible for full scope Medi-Cal benefits until their 26th birthday. CSAC <u>joined a coalition in support</u> of the provisions related to immunizations.</p>
<p><u>AB 145:</u> California Environmental Quality Act: exemptions: housing development projects: energy systems and electronics: labor standards. **</p>	<p>This late addition to the September Budget Package provides updates to CEQA exemptions available for housing projects.</p>
<p><u>AB/SB 146:</u> Human services.</p>	<p>In addition to establishing a new complaint procedure for the CalWORKs Housing Support, Home Safe, Bringing Families Home, and Housing and Disability Income Advocacy Programs, this trailer bill includes a new, one-time \$3.2 million General Fund appropriation to the CDSS for automation related to reducing the CalFresh payment error rate and implementation of the program's new requirements established by H.R. 1. The measure also requires CDSS to begin consulting with stakeholders immediately and continuing through the duration of multiyear activities to reduce the CalFresh payment error rate and perform automation.</p>
<p><u>AB/SB 147:</u> Education finance:</p>	<p>No items of significance for county governments identified in education trailer bills at this time</p>

education omnibus trailer bill	
<u>AB/SB 148:</u> Higher education.	No items of significance for county governments identified in education trailer bills at this time
<u>AB/SB 149:</u> Public resources.	This trailer bill includes Coastal Act and California Environmental Quality Act (CEQA) exemptions for the 2028 Olympic Games and Paralympic Games in Los Angeles, and appropriates \$20 million from Proposition 4 to address invasive mussel infestations, including the Golden Mussel.
<u>AB/SB 151:</u> Early childhood education and childcare.	This trailer bill ratifies the MOU between the State and Child Care Providers United, the labor organization representing family childcare providers. The measure appropriates nearly \$160 million State General Fund to fund one-time stabilization payments to both family child care providers and center-based providers.
<u>AB/SB 153:</u> Transportation.	This Transportation trailer bill authorizes specified entities to provide charter bus services during the 2026 World Cup in the County of Los Angeles and greater San Francisco Bay Area.
<u>AB/SB 154:</u> Greenhouse gases: climate corporate accountability: climate-related financial risk: regulations: California Environmental Quality Act exemption.	This trailer bill provides CEQA exemptions for regulations the State Air Resources Board is authorized to adopt by the Climate Corporate Data Accountability Act.
<u>AB/SB 155:</u> Governor's Office of Business and Economic Development (GO-Biz): California Civic Media Program.	This trailer bill appropriates \$10 million General Fund to establish the California Civic Media Program within GO-Biz to "enhance the public good through supporting a robust and dynamic California press corps." A nine-member board would be established to administer the fund, prioritizing expenses which support local and community news organizations. The bill authorizes both public and private funding for the program and sets accounting and expenditure requirements and limitations.
<u>AB/SB 156:</u> Labor	This trailer bill contains several In-Home Supportive Services (IHSS) provisions related to overtime hours requirements, allowing alternate payroll and deduction processing methods, and shortening timeframes within the collective bargaining mediation and factfinding process. CSAC is opposed to the changes to the mediation and factfinding process that would provide less time for

	counties and employee organizations to negotiate final agreements for IHSS providers. Read CSAC's letter to the budget committees regarding this bill here .
AB/SB 157: Public safety.	Notable provisions in this trailer bill include an update to the formula used to calculate payments to county probation departments under the State Community Corrections Performance Incentives Fund established by SB 678 (Chapter 608, Statutes of 2009), and authorization for employees and agents of the In-Custody Death Review Division to examine and reproduce records of any local detention facility.
SB 158: Land use.**	This trailer bill contains technical clean-up necessary to land use provisions in the Budget Act. This bill restores provisions inadvertently chaptered out, modifies and clarifies CEQA exemptions and deadlines, provides funding for CEQA reforms and permit streamlining (Chapter 24, Statutes of 2025 (SB 131)), and most notably for counties, requires the Housing and Community Development Department to prepare to administer Round 7 of the Homeless Housing, Assistance and Prevention program with the goal to disburse funding beginning September 1, 2026. CSAC specifically requested that the Round 7 funding be available by this date.
AB/SB 159: Personal Income Tax Law: Corporation Tax Law: exemptions: wildfire.	This trailer bill defined "qualified wildlife disaster" to mean any disaster resulting from a wildfire that has been declared a state of emergency by either the Governor or the President of the United States. It also clarifies related definitions and appropriates \$10,000 General Fund for the Franchise Tax Board to administer tax exemptions associated with qualified wildfire settlements.
AB/SB 160: Background checks.	This trailer bill makes simple changes to clarify the statutory authority permitting local governments to adopt resolutions and ordinances that grant them access to criminal background information held by the California Department of Justice (DOJ) and Federal Bureau of Investigations (FBI). Specifically, the change proposed by the DOJ addresses concerns from the FBI, which will facilitate the continued dissemination of state and federal criminal history to counties in accordance with existing law.
AB/SB 161: State Employment: State Bargaining Units.	This trailer bill codifies labor agreements between the state and several state employee bargaining units. This bill would ratify a new memorandum of understanding (MOU), in addition to existing MOUs, side letter agreements and closure letters to address a wide range of employment provisions, including but not limited to:

	compensation, retirement, and other reimbursement-related terms as specified for each qualifying bargaining unit.
AB/SB 162: Elections.	This bill includes clarifying provisions, such as aligning certification dates for local elections that were not consolidated. This ensures that local agencies that were already holding local elections on November 4, 2025 can carry out those local elections, as well as the special election, in a timely and effective manner. CSAC has submitted a letter to the Budget Committees in support of these provisions. Read more about the November Special Election and CSAC's advocacy here .
<p><i>* Why are these bills listed as AB/SB? For expediency, the Assembly and Senate traditionally introduce identical versions of budget bills in each house although only version will ultimately be submitted to the Governor.</i></p> <p><i>** What makes AB 145 and SB 158 different? The Senate and Assembly amendments were not identical and only one version is actively moving in this new package. As of Thursday, September 11 at 2:00pm: The Senate Budget and Fiscal Review Committee heard the budget bills on Wednesday, September 10, and the Assembly Budget Committee hearing is scheduled for the afternoon on Thursday, September 11.</i></p>	

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