

Assembly Budget Committee

JESSE GABRIEL, CHAIR



FLOOR REPORT 2026-2027 BUDGET

June 11, 2026

TABLE OF CONTENTS

Overview	2
Health	8
Human Services.....	24
Pk-12 Public Education And Early Education	38
Higher Education	44
Natural Resources	48
Environmental Protection	61
Energy	70
Transportation.....	76
Various.....	82
General Government	85
Public Safety	108

OVERVIEW

Because of President Trump and Congressional Republicans, health costs are climbing and Californians are losing access to care, as well as food assistance and other supports. The White House is aggressively — and proudly — dismantling safety net programs. It is a historic crisis.

Trump's "Big Ugly Bill" guts Medicaid, threatens CalFresh and puts millions of Californians at risk. Meanwhile, his reckless foreign policy and failed economic agenda are driving up gas prices, pushing inflation higher, and making working families pay for a crisis Republicans created.

With the June 2026 legislative budget plan, California's leaders are fighting back.

California cannot undo every federal cut, but the state's leaders are rejecting, delaying and softening as much harm as possible. This work requires California to find sources of revenue, but the state's leaders stand firm against raising taxes on individuals or working families.

While Trump creates chaos, California leaders are doing the hard work: protecting people, stabilizing Medi-Cal, defending food assistance and passing a responsible budget.

The budget plan rejects some proposed safety net cuts, such as the Governor's proposed cuts to the In-Home Supportive Services (IHSS) Program, and temporarily delays and reduces various other cuts enacted last year or imposed by the federal government. Both houses aim to keep fighting to reduce, delay, or eliminate enacted cuts in 2027, as budget conditions allow. The Legislature is investing in important California priorities: reproductive health, gender-affirming care, security for nonprofit institutions, subsidizing premiums for Covered California enrollees, diaper banks, restorative justice programs, and backfilling federal cuts to help victims of crime.

With a combination of serious long-term cost reductions and meaningful, new ongoing revenues proposed by Governor Newsom, the state can also reduce its structural budget deficit. Those revenue proposals are included in the legislative budget plan. The legislative plan—like Governor Newsom's May Revision proposal—reduces the structural deficit estimated for 2029-30 to less than \$10 billion (down from \$23 billion in the Governor's January budget proposal).

Legislative leaders will now proceed to negotiate the final 2026-27 state budget plan with Governor Newsom over the next one or two weeks. On or before June 25, the budget anticipates legislative passage of a housing bond and a rainy day fund constitutional change to submit to voters in November. If the Legislature transmits the 2026-27 budget bill (AB 109) to the Governor on June 15, as required by the Constitution, he would be expected to sign it or veto it (in whole or in part) on or before June 29.

The Facts

- The legislative budget plan—across the General Fund, the state’s many special funds, and selected bond funds—includes spending of \$317.0 billion for 2024-25 (similar to the May Revision), \$348.5 billion for 2025-26 (about \$2.1 billion more than the May Revision), and \$355.9 billion for 2026-27 (about \$6.5 billion more than the May Revision).
- The legislative budget plan’s General Fund expenditures are \$231.2 billion for 2024-25 (similar to the May Revision), \$247.2 billion for 2025-26 (about \$1.4 billion more than the May Revision), and \$253.0 billion for 2026-27 (about \$6.4 billion more than the May Revision).
- The Legislative Analyst’s Office (LAO), in early May, projected that General Fund revenues would be about \$7 billion higher in 2025-26 than the administration projected in the May Revision. The LAO also forecast slightly higher revenues in 2026-27. The legislative plan uses part of the higher LAO revenue estimate for 2025-26 only: about \$5 billion in tax revenues above those assumed in the May Revision. That funds most of the relatively higher spending in 2025-26 and 2026-27, compared to the Governor’s May proposal.
- Both the Governor’s plan and the legislative plan are projected to be balanced in both 2026-27 and 2027-28 under their respective revenue estimates. The May Revision left a basic General Fund reserve (the Special Fund for Economic Uncertainties, or SFEU) balance of \$2.1 billion at the end of 2027-28. The legislative plan balances in 2027-28, but with a smaller SFEU balance of \$122 million. The lower SFEU accounts for some of the higher spending over the period in the legislative plan, in addition to the higher LAO revenue estimate described above.
- The 2026-27 legislative budget plan projects \$29.1 billion of reserves, including the rainy day fund (\$15.1 billion) and the Proposition 98 reserve (\$9.5 billion). This increases the state’s reserves by more than \$13 billion above the 2025-26 level in last year’s budget act. In addition, \$7.4 billion is deposited to the Projected Surplus Temporary Holding Account in 2026-27 in order to help balance the 2027-28 budget.
- The May Revision, assuming adoption of all of the Governor’s proposals, projected a \$9.6 billion operating, or structural, deficit in 2029-30. The legislative plan projects a \$9.7 billion operating deficit in 2029-30. Both reduce the structural deficit to under half of the \$23 billion level in the Governor’s January budget proposal.

Stabilizing Medi-Cal, Protecting Health Care

- **Rejects immediate Medi-Cal asset limit cuts:** There is no change to the asset test in 2026-27, and the asset limit would be lowered to \$21,000 in 2027-28, instead of moving to the Governor’s proposed \$2,000 limit now.

- **Delays immediate Medi-Cal dental cuts:** Delays dental supplemental payment cuts and UIS dental cuts by 12 months.
- **Prevents an automatic premium increase for Medi-Cal enrollees with “unsatisfactory immigration status” (UIS) next year:** The agreement gives the next Governor authority to decide whether UIS premiums increase from \$30 to \$50 next year, rather than locking in the increase now.
- **Delays restricted-scope Medi-Cal changes for asylees and other qualified immigrants:** Adopts the Governor’s May Revision proposal to shift asylees and other impacted qualified immigrants to restricted-scope Medi-Cal, but not until 2027-28.
- **UIS fee-for-service options:** Gives the state time to investigate alternatives before moving forward with the UIS fee-for-service transition.
- **Delays most clinic cuts:** Delays most clinic cuts by 12 months, giving providers and patients more time.
- **Supports distressed hospitals:** Authorizes up to \$190 million in distressed hospital loans.
- **Lowers Covered California premiums:** Provides \$110 million to lower premiums for low-income Covered California enrollees, for a total of \$300 million annually.
- **Protects reproductive health care and gender-affirming care:** Adds \$40 million for reproductive health care and \$26 million for gender-affirming care.
- **Be Home Soon Plan:** Assumes broad framework of a plan suggested by the Senate to help seniors transition away from skilled nursing facilities and into community or home-based care.

Human Services: Protecting Seniors, Families and Vulnerable Californians

- **Rejects IHSS cuts:** The agreement fully rejects the Governor’s proposed In-Home Supportive Services (IHSS) cuts, protecting seniors and people with disabilities who rely on in-home care.
- **Supports food banks:** \$108 million for CalFood, including \$70 million above the Governor’s proposal, to help keep food banks stocked.
- **Funds CalFresh eligibility workload:** The agreement provides additional funding for county eligibility workload tied to H.R. 1. More than 750,000 Californians are in danger of losing CalFresh benefits entirely, with millions more facing reduced benefits.
- **Rejects Adult Protective Services cuts:** Rejects the Governor’s proposed cut to Adult Protective Services.

- **Protects immigrant communities:** \$80 million more than the Governor for immigration legal services across several programs.
- **Supports diaper banks:** \$16.5 million for diaper banks.

Building Housing, Preventing Homelessness

- **Invests in homelessness solutions:** Provides \$900 million on a one-time basis for the Homeless Housing, Assistance and Prevention (HHAP) Program, the state's local homelessness program, which is \$400 million more than the Governor proposed.
- **Builds affordable housing:** Provides \$500 million for the Low-Income Housing Tax Credit.
- **Supports multifamily housing:** Provides \$200 million for the Multifamily Housing Program.
- **Keeps housing bond work moving:** Anticipates a November 2026 housing bond to build more affordable homes faster.
- **Keeps families housed:** \$100 million for housing stability programs.

Schools & Child Care

- **Delivers higher Proposition 98 funding and a payback commitment:** Compared to the Governor's May Revision, the agreement provides roughly \$2.7 billion more for schools and community colleges across 2025-26 and 2026-27, while committing to work with the Governor and the Senate on a reliable schedule to pay districts the \$3.9 billion omitted from the May Revision for 2025-26 Proposition 98 obligations.
- **Invests in special education:** Increases special education base rates and cost pools by \$2.4 billion ongoing.
- **Expands community schools:** Expands the Community Schools Partnership Program with \$1 billion ongoing, including partnerships with Promise Neighborhoods.
- **Invests in career technical education:** \$300 million one-time for career technical education.
- **Supports teacher recruitment and retention:** \$750 million for teacher recruitment and retention strategies.
- **Supports paid pregnancy leave for educators:** Funds and requires up to 14 weeks of paid pregnancy leave for educators through the Local Control Funding Formula.
- **Supports community colleges:** Ensures more ongoing funding for community college enrollment growth through a fair share of Prop. 98.

- **Protects UC and CSU:** Protects funding for the University of California and California State University.
- **Expands Cal Grant access:** Increases the Cal Grant age limit to 30.
- **Expands child care access:** Adds 22,770 new child care slots, with a priority for children ages 0-3, and protects 6,800 existing slots from the Governor's proposed reduction.
- **Supports child care providers:** Provides a 2 percent COLA for all child care programs.
- **Protects preschool access:** Maintains access growth for 3-year-olds to preschool.

Public Safety

- **Responsibly implements Prop. 36:** Provides around \$375 million for Prop. 36 implementation, including court workload, substance use and mental health treatment, victims support, rehabilitation and pretrial services, in addition to last year's \$300+ million investment.
- **Judicial Branch.** \$400 million in 2026-27 for courthouse maintenance and construction and \$44 million ongoing for new judgeships (SB 75, 2023). Authorizes the administration to issue more bonds for court facilities pursuant to existing Judicial Council facilities policies.
- **Supports victims of crime:** \$50 million for VOCA funding, up from \$25 million in the May Revision.
- **Protects communities from hate violence:** \$80 million ongoing for the Nonprofit Security Grant Program.
- **Avoids unnecessary prison spending:** Assumes an additional prison closure, generating \$150 million in ongoing savings, and rejects costly corrections increases that are not needed to protect public safety.
- **Supports MMIP grants:** \$15 million ongoing for Missing and Murdered Indigenous People (MMIP) grants.
- **Supports CASA:** \$20 million for the CASA Program.
- **Combats human trafficking:** \$10 million for human trafficking vertical prosecution grants and \$10 million for victims programs.
- **Funds the RIGHT Grant:** \$20 million for the RIGHT Grant.

Climate and Fire Protection

- **Funds CalFire through GGRF:** AB 109 provides proposed GGRF funding to CalFire, while several other Greenhouse Gas Reduction Fund (GGRF) and Proposition 4 decisions remain in later negotiations.
- Several major climate and wildfire funding decisions are still moving through later negotiations, including GGRF and Proposition 4 bond appropriations.

Reserves

- ***Rainy Day Fund Reform:*** Advances a constitutional amendment that empowers voters to increase California's ability to build reserves in good years, so the state is better prepared to protect schools, health care and safety-net programs when revenues decline.
- **Main Rainy Day Fund:** Investing billions in reserves to make sure Californians have a fiscal backstop for future uncertainty brought about by the Trump administration. The 2026-27 legislative budget plan projects \$29.1 billion of reserves, including the rainy day fund (\$15.1 billion) and the Proposition 98 reserve (\$9.5 billion). This increases the state's reserves by more than \$13 billion above the 2025-26 level in last year's budget act. In addition, \$7.4 billion is deposited to the Projected Surplus Temporary Holding Account in 2026-27 in order to help balance the 2027-28 budget.

Responsible Revenue to Protect Californians from Trump Administration Cuts

- The Assembly and Senate plan assumes the Governor's revenue proposals for a large corporation tax credit limitation, digital software sales tax changes, and extending and updating an existing tax on health care plans to preserve Medi-Cal funding in light of new federal requirements.
- The agreement moves the "fair share for big corporations" discussion forward with a requirement for the Department of Finance to provide draft bill options by March 2027 to hold large employers accountable for employees on Medi-Cal. If Congress repeals cruel Medicaid provisions in Trump's H.R. 1, the requirement for Finance to provide these options would be paused.
- The two houses also agree to future Supplemental Reporting Language to have the administration report back within a few years on the economic impacts of the 2026 tax credit and software sales tax changes.

HEALTH

Department of Health Care Services

- Both the Assembly and Senate aim to revisit any final reductions enacted in the 2026 budget, and consider additional delays, restorations, or modification of those reductions as part of the 2027-28 budget process, consistent with the state's fiscal condition at that time.
- Approves \$668.1 million General Fund in 2026-27 to provide full-scope Medi-Cal coverage to Qualified Non-Citizen populations (e.g. refugees, asylees, victims of trafficking) through July 1, 2027.
- Increases the Medi-Cal premium for individuals with Unsatisfactory Immigration Status from \$30 to \$50, effective July 1, 2027, contingent on the Governor issuing authorization to implement the policy between January 10, 2027, and April 1, 2027.
- Maintains the current Medi-Cal asset limit test of \$130,000 for a person / \$195,000 for a couple until July 1, 2027. Updates the Medi-Cal asset limit test to \$21,000 for a person / \$31,000 for a couple beginning July 1, 2027.
- Authorizes the Department to establish and seek federal approval to continue an alternative, federally compliant Managed Care Organization (MCO) tax effective January 1, 2027 and adopts the Administration's proposed MCO tax trailer bill.
- Adopts a placeholder framework to retain individuals with Unsatisfactory Immigration Status in Medi-Cal managed care for non-emergency services in response to federal restrictions and maintains access to Community Supports and Enhanced Care Management for this population.
- Provides an additional \$139 million General Fund in 2026-27 for county eligibility workload related to HR1 implementation.
- Includes \$125 million General Fund in 2026-27 to establish an emergency services-only county indigent care program.
- Appropriates \$1,034,000,000 General Fund in 2026-27 to support clinics' Prospective Payment System (PPS) reimbursements for state-only Medi-Cal populations.
- Provides \$250 million General Fund for 2026-27 to support California's public hospital system.
- Delays the elimination of Proposition 56 Medi-Cal Dental supplemental rates funded through General Fund to July 1, 2027.

- Delays the elimination of state-funded dental coverage for Medi-Cal enrollees with Unsatisfactory Immigration Status to July 1, 2027.
- Allocates \$1,500,000 General Fund in 2026-27 to support staffing or contract authority to enable DHCS to clear the Medi-Cal Home and Community Based Alternatives (HCBA) Waiver waitlist and serve all eligible individuals seeking enrollment in the HCBA Waiver program.
- Appropriates \$7,700,000 General Fund in 2026-27 to support bridge funding for Congregate Living Health Facilities pending transition into the managed care delivery system.
- Rejects the proposal to implement a rate cap for Program of All-Inclusive Care for the Elderly (PACE) organizations at the actuarial lower bound rate.
- Provides \$800,000 in 2026-27 and ongoing (\$400,000 General Fund; \$400,000 Federal Fund) to hire additional nursing staff positions to evaluate the applications of frail, older Californians applying to enroll in a PACE program.
- Appropriates \$25,000,000 General Fund in 2026-27 to support a gender-affirming care provider network stabilization and uncompensated care grant program, and an additional \$1,000,000 to support the establishment of a gender-affirming care state-only Medi-Cal coverage and billing pathway.
- Provides \$5 million General Fund in 2026-27 for a behavioral health pilot program to treat individuals with severe schizophrenia, or Anosognosia.
- Adopts the “Be Home Soon California” framework proposal, an all-of-government, "whatever-it-takes" approach to transition seniors and people with disabilities from skilled nursing facilities (SNFs) and hospitals back home or to the community with family and caregivers.
- Includes \$30,000,000 General Fund in 2026-27 to support rate increases for private duty nursing.
- Assumes reduction of expenditures in the Hearing Aid Coverage for Children Program (HACCP) at DHCS, contingent on adoption of legislation approving a transition of benefit to large group insurance.
- Rejects the elimination of the Medi-Cal adult acupuncture benefit.
- Adopts placeholder action related to utilization management for Applied Behavioral Analysis / Behavioral Health Treatment and Transportation Services.
- Adopts placeholder action related to refinements and efficiencies for Community Supports and Enhanced Care Management.

- Appropriates \$25.9 million in 2026-27, \$25.8 million in 2027-28 through 2029-30, and \$4.4 million annually thereafter from the 988 State Suicide and Behavioral Health Crisis Services Fund for 8 positions and resources to support increased workload related to 988 and to support 988 Crisis Centers. Adds from the 988 State Suicide and Behavioral Health Crisis Services Fund an additional \$20 million for 988 Crisis Centers and \$5 million for the “Press 3” LGBTQ+-Dedicated Suicide Prevention & Crisis Hotline in California.
- Rejects the proposal to make Mobile Crisis a county optional benefit. Provides \$125 million from the 988 State Suicide and Behavioral Health Crisis Services Fund to fund mobile crisis teams. Rejects the redirection of Proposition 35 behavioral throughput for the Children and Youth Behavioral Health Services and Supports Platforms (\$53.4M in 2026-27) and redirects towards mobile crisis services.
- Allocates \$41,816,000 (\$25,858,000 Behavioral Health Services Fund; \$15,958,000 Federal Fund in 2026-27 and \$1,839,000 (\$920,000 BHSF; \$919,000 FF) in FY 2027-28 through FY 2029-30, and \$1,736,000 (\$868,000 BHSF; \$868,000 FF) in 2030-31 and ongoing for 10 positions to continue implementation of Proposition 1’s Behavioral Health Transformation and support ongoing implementation, operations, monitoring, and oversight activities.
- Rejects the redirection of Behavioral Health Services Fund resources for the Children and Youth Behavioral Health Initiative Behavioral Health Services and Supports Platforms (\$56.5M in 2026-27, and \$109.9M in 2027-28).
- Redirects \$4.5 million Behavioral Health Services Fund resources to the Department of Health Care Access and Information to support the Title IV-E Stipend program.
- Approves the redirection of funding from the Opioid Settlements Fund to offset General Fund supporting the non-federal share of expenditures on Drug Medi-Cal Organized Delivery System (DMC-ODS) services in the Medi-Cal program, and additional redirects \$24.1 million from the Naloxone Distribution Project to offset additional General Fund expenditures in the DMC-ODS program.
- Approves the redirection of medical loss ratio remittances from Medi-Cal managed care plans to the General Fund beginning in 2027-28, for estimated General Fund savings of \$25 million annually.
- Includes \$8,750,000 in 2026-27, \$2,431,000 in 2027-28, and \$2,772,000 ongoing from the General Fund, and \$8,750,000 in 2026-27, \$2,431,000 in 2027-28, and \$2,771,000 ongoing in federal funds, to support planning and implementation of the California Advancing and Innovating Medi-Cal initiative.
- Appropriates \$7,275,000 (\$1,788,000 General Fund; \$5,487,000 Federal Fund in 2026-27 and \$5,336,000 (\$1,497,000 GF; \$3,839,000 FF) in 2027-28 through 2029-30 and staff positions to continue to support DHCS’ ability to meet all federal and state requirements related to the Ensuring Access to Medicaid Services Final Rule. Adopts May Revision

providing an additional \$882,000 in 2026-27 through 2029-30 in General Fund to reflect technical adjustment to align resources as proposed in the 2026-27 Governor's Budget.

- Includes \$451,000 in 2026-27 and \$370,000 in 2027-28 from the General Fund and \$450,000 in 2026-27 and \$370,000 in 2027-28 in federal funds to support administration of the Waiver Personal Care Services benefit.
- Appropriates \$1 million in 2026-27 and ongoing from the Narcotic Treatment Program Licensing Trust Fund and \$1 million in 2026-27 and ongoing Driving Under-the-Influence Program Licensing Trust Fund to support the licensing of Narcotic Treatment Programs and Driving-Under-the-Influence Programs.
- Provides \$207,000 and 1 position in 2026-27 and \$198,000 ongoing from the California Health Data and Planning Fund and \$622,000 and 3 positions in 2026-27 and \$595,000 ongoing in federal funds to support 4 positions for utilization of the Healthcare Payments Data program for the Medi-Cal Program.
- Enacts a transfer of \$2,975,000 in 2026-27 and ongoing within the Breast Cancer Control Account, Breast Cancer Fund to support the Every Woman Counts program.
- Includes provisional language to establish authority for the HR1 Navigators for Clinics Program.
- Appropriates \$33 million (\$15.5 million General Fund and \$17.5 million federal funds) in 2026-27, \$11.3 million (\$5.7 million General Fund and \$5.7 million federal funds) in 2027-28 for staff positions and resources to support implementation of eligibility and other changes related to House Resolution 1 (H.R. 1).
- Includes \$20,453,000 in 2026-27 in federal funds to support administrative and eligibility system costs associated with the implementation of federal work and community engagement requirements.
- Provides \$10.7 million (\$5.3 million reimbursements and \$5.3 million federal funds) in 2026-27, \$9.8 million (\$4.9 million reimbursements and \$4.9 million federal funds) in 2027-28 and 2028-29, and \$6.8 million (\$3.4 million reimbursements and \$3.4 million federal funds annually thereafter) for 23 positions to support development, implementation, and maintenance of a comprehensive value strategy for payments for hospital services in the Medi-Cal managed care delivery system.
- Appropriates corresponding resources to implement chaptered legislation: SB 660 (Menjivar), SB 543 (Gonzalez), and SB 246 (Grove).
- Allocates \$607,000 (\$236,000 General Fund; \$371,000 Federal Fund) in fiscal year 2026-27 and ongoing and converts 4 limited-term resources to permanent positions to support the implementation, monitoring, and enforcement of federal and state requirements

across a broad range of Medi-Cal Managed Care activities, including network adequacy and access.

- Includes \$165,000 Federal Fund in 2026-27 and \$90,000 in 2027-28 for 1 position and expenditure authority to support California Community Transitions Program operations.
- Appropriates \$4,535,000 (\$2,268,000 General Fund; \$2,267,000 Federal Fund in 2026-27, \$2,022,000 (\$1,011,000 GF; \$1,011,000 FF) in 2027-28, \$312,000 (\$156,000 GF; \$156,000 FF) in 2028-29, and a reduction of \$1,677,000 (\$839,000 GF; \$838,000 FF) in 2029-30 and ongoing for 3 positions and resources for the planning, procurement, and project implementation costs to modernize human resources and related fiscal systems business technology and processes.
- Allocates \$2,537,000 (\$1,208,000 Long-Term Care Quality Assurance Fund; \$1,329,000 Federal Fund) in 2026-27 and \$1,330,000 (\$604,000 LTC QAF; \$726,000 FF) in 2027-28 and ongoing to continue to implement the Medicaid Institutional Payment Transparency Reporting provisions of the federal LTC Final Rule.
- Includes \$3,479,000 (\$523,000 General Fund; \$2,956,000 Federal Fund) in 2026-27, \$2,946,000 (\$456,000 GF; \$2,490,000 FF) in 2027-28 and 2028-29 and 18 positions to plan and implement the federal Centers for Medicare and Medicaid Services Advancing Interoperability and Improving Prior Authorization Processes final rule.
- Includes \$12.3 million (\$6 million General Fund and \$6.3 million federal funds) in 2026-27 and \$10.5 million (\$5.2 million General Fund and \$5.2 million federal funds) in 2027-28 for 33 positions to support the implementation and operations of the Managed Care Final Rule requirements.
- Approves the May Revision Medi-Cal Local Assistance Estimate reflecting all conforming changes adopted in related actions.
- Approves the May Revision Medi-Cal Family Health Estimate reflecting all conforming changes adopted in related actions.
- Adopts placeholder trailer bills for the following issues:
 - 988 Suicide and Crisis Lifeline and Call Center Oversight
 - Provider Oversight
 - County Administration
 - Community-Based Mobile Crisis Response Services
 - CalAIM Renewal
 - H.R.1 Implementation
 - Medical Loss Ratio Remittances
 - Medi-Cal Premiums
 - Medi-Cal Asset Test Limits
 - Behavioral Health Services Act Revenue and Stability
 - Skilled Nursing Facility Financing Reauthorization

- Aligning Evidence-Based Standards for Substance Use Treatment
- Breast Cancer Control Fund and Breast Cancer Research Account Technical Clean-Up
- Rejects the following trailer bills:
 - Adult Acupuncture Services Elimination

Emergency Medical Services Authority

- Includes \$4,264,000 General Fund in 2026-27 and \$4,414,000 in 2027-28 to support operations of three components of the Enterprise Services Data Management System: Electronic Physicians Order for Life Sustaining Treatment, Central Registry System, and California Emergency Medical Services Information System, as well as implementation of a replacement system for the California Emergency Medical Services Information System.
- Provides \$203,000 one-time from the 988 State Suicide and Behavioral Health Crisis Services Fund in 2026-27 to support statewide guidance on behavioral health crisis response for local Emergency Medical Services Agencies. Provides \$445,000 in 2026-27, \$439,000 in 2027-28 and 2028-29 from the 988 State Suicide and Behavioral Health Crisis Services Fund for the California Health and Human Services Agency to fulfill its responsibilities as required by Assembly Bill 988, which includes convening the 988-Crisis Policy Advisory Group and producing an annual progress report.
- Provides \$500,000 in 2026-27 and \$500,000 in 2027-28 from the General Fund to replace critical disaster response vehicles essential for statewide medical operations. The requested funding would support the replacement of EMSA fleet vehicles identified as aging and at risk of mechanical failure.
- Rejects \$250,000 one-time resources in 2026-27 from the General Fund to conduct initial activities to meet information technology cybersecurity requirements, and directs the Authority to work with the California Department of Technology to implement this proposal with existing resources. This includes the implementation of Multifactor Authentication (the process to require more than one form of identify verification) and Zero Trust Architecture (a cybersecurity framework that authenticates every access request and anticipates cyberattacks).
- Include \$521,000 General Fund in 2026-27 and \$321,000 in 2027-28 to fund the implementation of AB 716 (Boerner, Chapter 454, Statutes of 2023) related to ambulance services.

Department of Health Care Access and Information

- Appropriates \$30 million General Fund in 2026-27 for the Uncompensated Care program and an additional \$10 million for the Abortion Practical Support program.

- Include \$1 million General Fund in 2026-27 to support the implementation of a study of midwifery education and training in California, as directed by AB 836 (2025).
- Include \$5 million General Fund in 2026-27 to support physician access and workforce development in shortage areas.
- Reappropriates \$105,000 in state operations and \$18.3 million in local assistance resources from the 2022 Budget Act until June 30, 2029, to continue the development of low-cost, biosimilar insulin.
- Increases federal funding for state operations by \$11,396,000 one-time and federal funding for local assistance by \$114,968,000 one-time to administer and implement the federal Rural Health Transformation Program. Includes provisional language to authorize exemption from the Public Contract Code for two years and use of a third-party administrator to for program implementation.
- Includes provisional language to exempt the Diaper Access Initiative from the Public Contract Code for two years, and require contracting for the direct-to-consumer portal to include both diapers and wipe.
- Authorizes, upon approval of the Department of Finance, an additional \$190 million to the Distressed Hospital Loan Program for additional rounds of support to struggling hospitals, under the same terms as the original program.
- Allocates \$10 million to establish a health care access stability unit to evaluate hospitals' strategic importance to their communities, assist in planning for maintaining critical services in the event of a hospital's financial distress, and provide technical assistance to currently distressed hospitals in returning to fiscal sustainability.
- Reverts \$19,629,000 in Opioid Settlement Fund in the 2023 Budget Act.
- Appropriates \$5,509,000 in state operations and \$94,493,000 in local assistance in 2026-27 and ongoing for a total of \$100,002,000 from the Behavioral Health Services Fund to support the development, implementation, administration, and evaluation of the workforce initiatives in Proposition 1.
- Provides 8 positions and \$1,611,000 for 2026-2027, 2027-28, and 2028-29 from the California Health Planning and Data Fund to support program services associated with the implementation of AB 1312 (Schiavo, Chapter 450, Statutes of 2025). The bill expanded existing hospital fair pricing statutes by connecting eligible patients with hospital financial assistance before they receive a bill.
- Includes \$1.5 million in 2026-27 and 2027-28 from the California Health Data and Planning Fund to implement and administer the provisions of SB 660 (Menjivar, Chapter 325, Statutes of 2025). The bill expands the authority of the state and the requirements for the Data Exchange Framework (DxF) program in several ways, including making HCAI the new administrator of the DxF Program.

- Provides \$22.5 million in 2026- 27 and \$23.6 million starting in 2027-28 and ongoing from various special fund sources, to support the operation of the Healthcare Payments Data (HPD) Program.
- Delays the date by which unspent funds allocated for newly accredited primary care residency programs may be redirected to existing programs to June 30, 2028
- Authorizes encumbrance or expenditure of the amounts allocated for workforce training contracts and the County Medical Services Loan Repayment Program pursuant to these Provisions until June 30, 2029
- Transfers expenditure authority of \$8,800,000 from the Health Data and Planning Fund and \$2,360,000 from the Health Plan Improvement Trust Fund in 2026- 27 and ongoing, for 16 positions and costs for consulting, to facilitate the transfer of two Center for Data Insights and Innovation (CDII) programs to HCAI. The transfer includes the Data Exchange Framework (DxF) and Office of the Patient Advocate (OPA).
- Allocates \$931,000 in the Mental Health Practitioner Education Fund, \$1,816,000 in the Registered Nurse Education Fund, and \$142,000 in the Vocational Nursing Education Fund in FY 2026-27 and ongoing to continue supporting various workforce programs. HCAI also requests an increase in spending authority of \$353,000 in FY 2026-27 and ongoing from the Federal Trust Fund to continue support for the Primary Care Office (PCO) and Medicare Rural Hospital Flexibility Program (FLEX) federal grants awarded through the Health Resources and Services Administration.
- Includes \$178,000 to fund one position in 2026-27 and annually thereafter from the California Health Data and Planning Fund to implement new reporting requirements related to health care workers' health coverage waiting periods, pursuant to AB 1418 (Schiavo, Chapter 398, Statutes of 2025). The bill mandates annual reporting and public disclosures of employer-sponsored health coverage waiting periods.
- Allocates 3 permanent positions and expenditure authority of \$597,000 in FY 2026-27 and ongoing from the California Health Data and Planning Fund to implement healthcare data reporting requirements established by new federal rules.
- Adopts placeholder trailer bills for the following issues:
 - Healthcare Payments Data Program
 - Hospital Fair Pricing Act Special Fund (AB 1312)

Department of Managed Health Care

- Provides \$3,336,000 one-time from the Managed Care Fund in fiscal year 2026-27 to implement the California Managed Care Complaint System in the Help Center, to meet mandated required timeframes for reviewing consumer and provider complaints, and strengthen customer service support.

- Appropriates \$2,420,000 in 2026-27 and \$2,026,000 in 2027-28 from the Managed Care Fund to implement the Electronic Filing and Analysis of Claims Settlement Data Project pursuant to the requirements of Chapter 763, Statutes of 2024 (AB 3275), including new filing types, additional data elements, and automated compliance reporting.
- Allocates \$5,641,000 in 2026-27, 9 positions and \$4,333,000 in 2027-28, 10 positions and \$4,426,000 in 2028-29, and 10 positions and \$4,418,000 in 2029-30 and annually thereafter from the Pharmacy Benefit Manager Fund to replace the existing registration requirement for Pharmacy Benefit Managers (PBMs) with a licensure requirement for all PBMs operating in California that contract with either a DMHC licensed health plan or California Department of Insurance (CDI) licensed insurer. This proposal will also require the PBMs to report specified data to support a better understanding of their impact on prescription drug costs.
- Provides \$1,721,000 in 2026-27, increasing to nine positions and \$2,169,000 in 2027-28, and \$2,160,000 in 2028-29 and annually thereafter from the Pharmacy Benefit Manager Fund to implement the requirements of Senate Bill 41 (Wiener, Chapter 605, Statutes of 2025). The bill added additional legal requirements related to PBM revenue practices and pharmacy network reforms.
- Includes \$1,196,000 in 2026-27, \$1,166,000 in 2027-28, increasing to five ongoing positions and \$1,434,000 in 2028-29, and \$1,426,000 in 2029-30 and annually thereafter from the Managed Care Fund to implement the requirements of AB 1041 (Bennett, Chapter 630, Statutes of 2025). The bill expanded credentialing requirements for health plans and their delegates. Beginning January 1, 2028, every full-service health plan, or its delegate must subscribe to and use the Council for Affordable Quality Healthcare credentialing form except as otherwise specified.
- Provides \$1,449,000 in 2026-27, increasing to eight positions and \$1,562,000 in 2027-28, and \$1,809,000 in 2028-29 and annually thereafter from the Managed Care Fund to implement the requirements of SB 306 (Becker, Chapter 408, Statutes of 2025). The bill made changes to the prior authorization requirements and exemptions processes.
- Allocates \$391,000 in 2027-28 and annually thereafter from the Managed Care Fund to support implementation of new proposed statutory amendments that would specify required health care coverage, provider education, and patient information programs for perimenopause, menopause, and postmenopausal care.
- Adopts placeholder trailer bill related to menopause coverage.

Department of Public Health

- Adopts a 5 year expenditure plan for the ADAP rebate fund, which includes:
 - PrEP/PEP Initiation/Retention - \$33.8 million in 2026-27, available for four years, and \$33.8 million in 2030-31, available for four years

- Rapid ART Projects - \$14.5 million in 2026-27, available for four years, and \$14.5 million in 2030-31, available for four years
 - Project Cornerstone - \$14.1 million in 2026-27, available for four years, and \$14.1 million in 2030-31, available for four years
 - ED Screening Program - \$30 million in 2026-27, available for three years, and \$30 million in 2029-30, available for three years
 - Syphilis Outbreak Strategy - \$30 million in 2027-28, available over five years
 - Harm Reduction Clearinghouse - \$10 million in 2027-28, 2028-29, and 2029-30
 - TGI Wellness Fund - \$5 million in 2027-28, 2028-29, and 2029-30
 - HepC Prev/Collab - \$10 million in 2028-29, available for five years
 - HepB Demonstrations - \$8 million in 2028-29, available for four years
 - Re-Entry HIV Linkage-to-Care Services - \$3.4 million in 2027-28
 - Home Test Kit Delivery - \$200,000 annually, beginning 2027-28
 - HOPWA Supplement - \$50 million in 2026-27, \$10 million ongoing
 - HIV Prev Supplement - \$25 million annually, beginning 2027-28
 - Ryan White Supplement - \$25 million annually, beginning 2027-28
 - CBO Condom Distribution Project - \$8.5 million in 2028-29
- Includes \$3.5 million General Fund in 2025-26 to fund California's ALS Wraparound Model of Care for people living with ALS.
 - Provides \$60 million Local Assistance expenditure authority from the ADAP Rebate Fund, of which \$50 million will support services for those living with and at risk of HIV, especially services impacted by loss of federal funds consistent with the funding included in the 2025 Budget Act.
 - Includes \$10 million General Fund in 2026-27 to support LGBT Centers.
 - Allocates \$450,000 one-time in 2026-27 from the Licensing and Certification Program Fund and \$1,765,000 in 2026-27 and \$74,000 ongoing from the Internal Departmental Quality Improvement Account for information technology improvement projects to streamline training and data collection. Includes provisional language to authorize expenditure upon approval by the California Department of Technology through the Project Approval Lifecycle.
 - Appropriates \$24,186,000 ongoing from the Licensing and Certification Program Fund to extend and augment the Los Angeles County Department of Public Health contract for updated indirect cost and employee benefit rates, personnel costs, and lease costs.
 - Reappropriates \$1,112,000 from the Licensing and Certification Program Fund in the 2025 Budget Act until June 30, 2027, to support the development of a patient safety reporting system in alignment with the requirements of Chapter 4, Statutes of 2025 (AB 3161). Includes provisional language making resources available upon Stage 2 Alternatives Analysis or Project Delegation Request approval.

- Shifts \$2,495,000 in General Fund from local assistance to state operations to support the administration of lesbian, bisexual and queer focused women's health grants until June 30, 2028.
- Effectuates the conversion of special deposit sub-funds to special funds that were approved in the 2025 Budget Act.
- Reappropriates \$16.6 million General Fund, provides \$79.7 million additional General Fund, \$5 million from the Clinical Laboratory Improvement Fund, \$8 million from the Health Statistics Special Fund, \$2 million State Operations expenditure authority from the ADAP Rebate Fund, and \$2 million from the State Department of Licensing and Certification Program Fund to support the California Immunization Registry (CAIR), the Future Disease Surveillance System (FDSS), the California Vaccine Management System (CA-VMS), Enterprise Architecture, the Surveillance and Public Health Information Reporting and Exchange (SaPHIRE), and the California Confidential Network for Contact Tracing (CalCONNECT).
- Redirects \$3.4 million one-time General Fund in 2026-27 to the University of California Menopause Center of Excellence for a statewide perimenopause and menopause campaign.
- Enacts various Proposition 99 expenditure adjustments to reflect updated cigarette tax revenue estimates from specified Cigarette and Tobacco Products Surtax Funds.
- Includes \$174.8 million in 2026-27 from the Behavioral Health Service Act Fund, of which \$55 million in 2026-27 is to support existing statewide behavioral health programs and remaining funding is available to support implementation of CDPH's Behavioral Health Services Act population-based prevention programs, operations and administrative infrastructure and capacity.
- Provides \$3,810,000 and 9 positions in 2026- 27 and \$4,327,000 and 18 positions in 2027-28 and ongoing from the Clinical Laboratory Improvement Fund to support the growing demand for license processing of clinical and public health laboratories.
- Appropriates \$1,162,000 in 2026-27 and ongoing from the Licensing and Certification Program Fund to establish a dedicated strike team to address priority survey and investigation workload. Adds an additional \$62,000 ongoing to reflect a technical change to align resources with the January proposal.
- Allocates \$7.4 million one-time Federal Health Facilities Citation Penalties Account in 2026-27 to support Centers for Medicare and Medicaid Services Nursing Home Staffing Campaign. This federal campaign aims to augment the number of individuals pursuing nursing home employment through a combination of financial incentives such as tuition reimbursement, enhanced training opportunities, and improvement of training resources.
- Provides \$1.8 million Childhood Lead Poisoning Prevention Fund each year between 2026-27 and 2028-29 for local health jurisdictions to provide services to children with

blood lead levels that meet or exceed the Centers for Disease Control and Prevention's Blood Lead Reference Value.

- Provides \$2.4 million in 2026-27 and in 2027-28 and \$2.5 million in 2028-29 and ongoing from the Licensing and Certification Program Fund and the Internal Departmental Quality Improvement Account to support the Hospital Bed Capacity System which allows near real-time monitoring of hospital bed capacity to facilitate timely transfers and placement, support response operations during public health and medical emergencies, and reduce patient morbidity and mortality.
- Includes provisional language in the budget bill for funds received in 2026-27 through 2030-31 through the People of the State of California v. JUUL Labs, Inc. Settlement. These funds would be available for encumbrance and expenditure for three fiscal years beyond the date of the appropriation.
- Allocates \$3,634,000 in 2026-27 and \$2,604,000 in 2027-28 and 2028-29 from the General Fund to adopt regulations to support AB 1264 (Gabriel, Chapter 467, Statutes of 2025). CDPH also requests provisional language in the budget bill to make \$1,020,000 of the funding in 2026-27 for implementation and consulting contract costs available upon reaching specific information technology implementation milestone. The bill establishes the Real Foods, Healthy Kids Act, which regulates and monitors ultraprocessed food and beverage and other foods of concern served within California schools.
- Includes \$912,000 General Fund in 2026-27 and ongoing and four positions to support occupational safety activities required of Senate Bill 20 (Menjivar, Chapter 734, Statutes of 2025). The bill aims to address silicosis among stone fabrication workers by prohibiting dry fabrication methods, requiring reporting and tracking of silicosis cases, requiring outreach and education about silicosis prevention and diagnosis, and enhancing enforcement by deeming silicosis a "serious injury or illness" that requires an investigation by the Department of Industrial Relations.
- Provides \$50,000 in 2026-27 and ongoing for the Vectorborne Disease Account to fully support program operations. The Vector-Borne Disease Section administers the Public Health Vector Control Technician certification examination twice each year to certify the competence of government agency personnel to control vectors for the health and safety of the public.
- Allocates \$4.6 million from the Radiation Control Fund in 2026–27 and ongoing to support increased program operation costs in the Radiologic Health Branch. This branch licenses and inspects Radioactive Materials users, registers and inspects facilities where X-ray machines are used, and certifies X-ray machines as well as the medical professionals who use X-ray machines for medical diagnosis and treatment. Additionally, this program approves physicists who provide services to mammography and radiation therapy facilities, as well as schools that offer training courses for these professionals.
- Provides \$173,000 General Fund in 2026-27 and ongoing to implement the new provisions required by Senate Bill 646 (Weber Pierson, Chapter 602, Statutes of 2025) to

conduct inspection work, compliance and enforcement activities, and engage with stakeholders and industry regarding technical questions. The bill requires manufacturers and brand owners of prenatal vitamins to test their products as defined in this bill, for heavy metals; arsenic, cadmium, lead, and mercury.

- Includes \$296,000 in 2026–27 and \$201,000 in 2027–28 ongoing from the Radiation Control Fund to implement the requirements of Assembly Bill 460 (Chen, Chapter 435, Statutes of 2025). The bill authorizes remote supervision of the Certified Radiologic Technologist by the physician if the supervising physician is immediately available to communicate with supervised personnel via audio and video technology and has access to the patient’s medical imaging records.
- Provides \$369,000 in 2026-27 and ongoing from the Food Safety Fund to implement provisions required by Assembly Bill 660 (Irwin, Chapter 911, Statute of 2024) to address food labeling regarding quality and safety, by eliminating the words “sell by” on packaging, and allowing only “best if used by” and “use by.”
- Provides \$493,000 in reimbursement authority and \$493,000 from the Licensing and Certification Fund in 2026-27 and ongoing to create a Provider Certification Section and a second Provider Certification Unit to support the Provider Licensing renewals and certifications.
- Includes \$5,941,000 in 2026-27 from the Internal Departmental Quality Improvement Account to support planning and implementation cost of the Centralized Application Branch (CAB) Online Licensing Application Project.
- Appropriates \$5 million in 2026-27, 2027-28, and 2028-29 from the Federal Health Facilities Citation Penalties Account to award Civil Money Penalty funding to Centers for Medicare and Medicaid Services approved projects to benefit nursing home residents.
- Includes \$515,000 in 2026-27 from the Licensing and Certification Program Fund to establish a 10-year pilot project to allow up to five critical access hospitals that meet the eligibility requirements to provide “standby perinatal services,” including obstetric and neonatal medical care, to patients who are transferred from an alternative birth center, or who present to the “standby emergency medical service, physician on call” with an urgent or emergent obstetric issue, as required by the Senate Bill (SB) 669 (McGuire, Chapter 603, Statutes of 2025).
- Adds \$3.6 million in 2026-27 from the Infant Botulism Treatment and Prevention Fund to meet increased BabyBIG manufacturing and stability testing. CDPH is the only manufacturer of BabyBIG, an orphan drug licensed by the U.S. Food and Drug Administration (FDA) used to treat infant botulism.
- Includes \$258,000 in 2026-27 and \$163,000 in 2027-28 and ongoing from the Health Statistics Special Fund to implement Senate Bill 313 (Cervantes, Chapter 669, Statutes of 2025), which will list the parents’ birthplace fields in the confidential section of the document.

- Approve the May Revision WIC Program Estimate reflecting all conforming changes adopted in related actions.
- Approve the May Revision GDSP Estimate reflecting all conforming changes adopted in related actions.
- Approve the May Revision ADAP Estimate reflecting all conforming changes adopted in related actions.
- Adopts placeholder trailer bills on the following issues:
 - Home Health Agencies Moratorium
 - AIDS Drug Assistance Program – Disease Intervention Specialists
 - Composite Distinct Part Skilled Nursing Facilities
 - SB 669 Technical Cleanup

Department of State Hospitals

- Reverts \$50,445,000 in existing, unspent resources from the Public Buildings Construction Fund and appropriates \$58,072,000 one-time Public Buildings Construction Fund (resulting in a net increase of \$7,627,000) for the construction phase of a central utility plant replacement at DSH-Metropolitan. Includes provisional language authorizing the Department of State Hospitals and the Department of General Services to execute documents necessary to sell State Public Works Board lease revenue bonds.
- Appropriates \$27,553,000 one-time General Fund in 2026-27 and re-appropriates \$6.3 million General Fund from the 2024 Budget Act to support the first year of implementation for the Continuum Electronic Health Record System project.
- Decreases General Fund expenditures by \$11 million in 2025-26 and \$102.2 million in 2026-27 to reflect anticipated savings related to the phase-in of activations for Diversion and Community-based Restoration Programs.
- Decreases General Fund reimbursements by \$12,363,000 in 2025-26, and \$5,811,000 in 2026-27 and ongoing to reflect a delay in the implementation of a new bed billing allocation methodology for the treatment of Lanterman Petris Short patients.
- Includes provisional language to provide the department with limited Public Contract Code exemption authority for two years for contracts associated with online services and subscriptions providing health care or pharmaceutical information.
- Reverts \$20 million of unspent General Fund from the 2024 Budget Act.
- Rejects proposal authorizing the Department of Finance to shift expenditure authority between funding schedules.

- Authorizes encumbrance or expenditure of the amount allocated for ligature risk special repair projects until June 30, 2029.
- Provides \$3.9 million General Fund and 4 permanent positions in 2026-27, \$1.1 million in 2027-28 and ongoing to support dental health services provided to patients at DSH-Metropolitan and DSH-Patton.
- Includes \$469,000 in 2026-27 to conduct an analysis on the feasibility of establishing transitional housing facilities for the Conditional Release Program (CONREP) for Sexually Violent Predators (SVP) and submit a report of results to the Legislature as required by SB 380 (Jones, Chapter 581, Statutes of 2025).
- Rejects \$7,269,000 General Fund for the working drawings phase of the DSH-Napa Electrical Infrastructure Upgrade project.
- Provides \$1,757,000 General Fund for the preliminary plans phase of the DSH-Patton Electrical Infrastructure Upgrade project. To support the electrical demands necessary to maintain existing critical services at a 24/7 patient care facility, this project upgrades the medium and high-voltage distribution infrastructure and modernizes low-voltage systems in each building through the replacement of obsolete panels and wiring.
- Approve the DSH Estimate reflecting all conforming changes adopted in related actions.
- Adopts placeholder trailer bill related to independent placement panels for the conditional release program.

Commission for Behavioral Health

- Rejects the reduction of expenditure authority from the Behavioral Health Services Fund of \$10 million for the Innovation Partnership Fund.
- Rejects the elimination of \$6.7 million ongoing from the Behavioral Health Services Fund for the Community Advocacy Program.

California Health Benefit Exchange (Covered California)

- Includes \$26,848,000 in 2026-27 and \$13,424,000 in 2027-28 and going from the Health Care Affordability Reserve Fund augment the Gender Affirming Care program beginning in the 2026 coverage year, to align program funding with projected per-member-per-month costs.
- Provides \$20,350,000 in 2026-27 and ongoing from the Health Care Affordability Reserve Fund to support the One-Dollar Premium Subsidy Program to provide payments to qualified health plan issuers for reproductive health services. Includes provisional language to provide an additional year of encumbrance authority and to authorize augmentation of this appropriation for the 2027 coverage year.

- Provides an additional \$110 million in 2026-27 and ongoing for a total of \$300 million annually to expand the State Premium Subsidy Program.

HUMAN SERVICES

Department of Social Services

CalFresh and Food/Basic Needs

- Approves the May Revision investment of \$30 million General Fund one-time for Able-Bodied Adults Without Dependents (ABAWDs) County Administrative Resources and provides an additional \$215 million General Fund one-time, with multi-year spending availability through June 2029, for counties to implement H.R. 1 for ABAWDs in CalFresh, with Budget Bill Language.
- Approves the May Revision one-time investment of \$30 million General Fund for CalFood (emergency food banks) and provides an additional \$70 million General Fund one-time (above the \$8 million General Fund base), to achieve the total \$108 million General Fund for CalFood in 2026-27, with Budget Bill Language.
- Approves (1) \$5 million General Fund one-time for automation of California Food Assistance Program (CFAP) changes, called CFAP Plus (CFAP+), allowing for a state-only option to provide food benefits to people losing CalFresh under H.R. 1, if benefits are funded in a future state budget, (2) placeholder trailer bill language to codify the CFAP+, contingent on automation and subject to an appropriation for benefits, and (3) placeholder trailer bill language that includes legislative intent, guiding principles, and maximization of exemptions as H.R. 1 is being implemented for CalFresh. Budget Bill Language is also approved for the \$5 million General Fund investment.
- Approves \$14 million General Fund one-time for the CalFresh Outreach Program, with Budget Bill Language.
- Approves \$16.5 million General Fund one-time for the purchase and distribution of diapers and wipes, with Budget Bill Language.
- Approves placeholder no-cost trailer bill language for the CalFresh County Match Waiver and Performance Measurement County Payment Error Rate Hold Harmless issues.
- Approves a modified version of the Governor's January Budget Change Proposal for CalFresh Enhanced Monitoring to Achieve Federal Compliance and Avoid Fiscal Sanctions, with \$4,812,000 (\$3,309,000 General Fund, \$1,503,000 Federal Fund) in fiscal year 2026-27 and \$4,703,000 (\$3,446,000 General Fund, \$1,257,000 Federal Fund) in 2027-28 to support 18.0 permanent positions and the equivalent of 3.0 positions for Family Engagement and Empowerment Division (FEED) programs. These resources are approved on a two-year, limited-term basis.
- Approves the Governor's January Budget Change Proposal for Food Assistance: Disasters Utilities (AB 777), with \$248,000 (\$168,000 General Fund) in fiscal year 2026-27 and \$242,000 (\$179,000 General Fund) in 2027-28 and ongoing for the equivalent of

1.0 positions to analyze and report aggregate data for Disaster Supplemental Nutrition Assistance Program (D-SNAP) to support timely, automated mass benefit replacements in response to a declared disaster and contribute empirical strategies to maximize all available food assistance during declared disasters as required by AB 777.

- Approves the Governor's January Budget Change Proposal for Public Social Services: CalFresh Higher Education (AB 79), with \$219,000 (\$161,000 General Fund) in fiscal year 2026-27 and \$213,000 (\$156,000 General Fund) in 2027-28 and ongoing to support one (1.0) permanent position to implement CalFresh Higher Education (AB 79).
- Approves placeholder trailer bill language regarding the Governor's January Trailer Bill Language proposal on Consecutive Recovery of CalFresh and California Food Assistance Program Overissuances.
- Approves placeholder trailer bill language regarding the Governor's January Trailer Bill Language proposal on Disaster CalFresh and Waiver Requirements.
- Approves the Governor's May Revision CalFresh State Administrative Expense (SAE) Adjustment proposal, requesting \$52.9 million (\$37 million General Fund) in 2025-26 and \$43.7 million (\$30.6 million General Fund) in 2026-27 for cash flow purposes to maintain CalFresh operations while the state requests additional federal funding above the federal SAE target.
- Approves placeholder trailer bill language regarding the Governor's May Revision Trailer Bill Language proposal on County Administration Reassessment Timeline.
- Approves a modified version of the Governor's May Revision Budget Change Proposal for CalFresh Staffing for H.R. 1 and Federal Changes. Approves \$7,150,000 in 2026-27 (with \$875,000 in federal funds) and \$9,114,000 (with \$786,000 in federal funds) in 2027-28, and 6 positions, modified to two-year, limited-term. This generates General Fund savings of \$964,000 in 2028-29 and ongoing.
- Approves the Governor's May Revision Budget Change Proposal for Child and Adult Care Food Program. Approves provisional language in Item 5180-101-0001 to reflect an update to the Child and Adult Care Food Program meal reimbursement rate due to the statutorily required cost of living adjustment and an update to the state match portion of the child nutrition program.
- Approves placeholder trailer bill language regarding the Governor's May Revision Trailer Bill Language proposal on Electronic Benefits Transfer (EBT) Theft Administrative Authority.

In-Home Supportive Services (IHSS)

- Rejects the Governor's January cut proposal to eliminate the In-Home Supportive Services Backup Provider System in its entirety, including the proposed savings and the proposed trailer bill language.

- Rejects the Governor's January cut proposal to shift costs in the In-Home Supportive Services program to counties with use of a statewide average on assessed hours in its entirety, including the proposed savings and the proposed trailer bill language.
- Rejects the Governor's January cut proposal on Auto-Termination of IHSS Eligibility to Align with Medi-Cal Loss in its entirety, including the proposed savings. Instead, adopt no-cost placeholder trailer bill language to make improvements to retention for Medi-Cal/IHSS recipients.
- Defers the Governor's January Trailer Bill Language proposal on In-Home Supportive Services For-Profit Organization Policy/Rules to the policy process.
- Conforms to decisions on Medi-Cal Asset Test in the Department of Health Care Services for corresponding impacts on the In-Home Supportive Services Program.
- Conforms to decisions on H.R.1 Impacts regarding Qualified Non-Citizens for corresponding impacts on the In-Home Supportive Services Program.
- Approves placeholder trailer bill language regarding the Governor's May Revision Trailer Bill Language proposal on Local IHSS Collective Bargaining.

Adult Protective Services (APS)

- Rejects the Governor's May Revision cut proposal to eliminate the Adult Protective Services expansion and enhanced case management in its entirety, including the proposed savings of \$70 million General Fund ongoing and the proposed trailer bill language.

Immigration Services and Vulnerable Populations

- Approves the Governor's May Revision augmentation to the One California/Immigration Services Funding (ISF) Program of \$20 million General Fund one-time and adds an additional \$10.5 million General fund one-time for a total net augmentation (above the baseline program funding) of \$35.5 million General Fund one-time, available for grants or contracts, and state operations, pursuant to the authority of Chapter 5.6 (commencing with Section 13300) of Part 3 of Division 9 of the Welfare and Institutions Code with qualified organizations to provide immigration-related services, including removal defense.
- Approves \$15 million General Fund one-time for the Children's Holistic Immigration Representation Program (CHIRP), with Budget Bill Language.
- Approves \$12 million General Fund one-time for the Enhanced Services for Asylees and Vulnerable Non-Citizens (ESAVN) Program as established in Welfare and Institutions Code Section 13650, with Budget Bill Language.

- Approves \$10 million General Fund one-time for the regional capacity-building in underserved communities, including the Central Coast, Central Valley, Inland Empire, Imperial Valley, and North State, with Budget Bill Language.
- Approves \$7.5 million General Fund one-time for the Immigration Legal Fellowship over three years, with extended expenditure authority in Budget Bill Language.
- Approves \$5 million General Fund one-time for the Black Immigrant and Refugee Equity Project, with Budget Bill Language.
- Approves \$5 million General Fund one-time for the Access to Counsel Pilot Program, with Budget Bill Language.
- Approves \$5 million General Fund one-time for the Coalition for Humane Immigrant Rights (CHIRLA), with Budget Bill Language.
- Approves \$5 million General Fund one-time for the Immigrant Welcome and Empowerment Center, with Budget Bill Language.
- Approves \$30 million General Fund one-time for the Stop the Hate Program, with Budget Bill Language and placeholder trailer bill language.
- Approves \$12 million for 2026-27, \$12 million for 2027-28, and \$12 million for 2028-29, all General Fund and one-time for each of the three years, for the Holocaust Survivor Assistance Program, with Budget Bill Language.
- Approves \$6 million General Fund one-time for the Center Against Racism and Trauma (CART) to expand anti-racism programming and trauma-recovery resources in the Inland Empire, with Budget Bill Language.
- Approves placeholder trailer bill language regarding the Governor's May Revision Trailer Bill Language proposal on Amended Definitions for Immigrant Youth.

Housing and Homelessness Services

- Approves \$25 million General Fund one-time for the Housing Disability Advocacy Program, with Budget Bill Language.
- Approves \$50 million General Fund one-time for the Home Safe Program, with Budget Bill Language.
- Approves \$25 million General Fund one-time for the Bringing Families Home Program, with Budget Bill Language.
- Approves the Governor's January Budget Change Proposal for Permanent Position Authority for Housing and Homelessness Programs, with 11 permanent positions to oversee housing and homelessness programs, fulfill legislative mandates, and provide

critical services to individuals and families at risk of or experiencing homelessness. The positions are for the continuation of existing positions that require permanent ongoing authority, including some limited-term resources that are set to expire beginning June 30, 2026.

Foster Care and Child Welfare

- Approves \$2.4 million General Fund ongoing for the Tribal Foster Care Prevention Program, with Budget Bill Language and placeholder trailer bill language.
- Approves \$20 million General Fund one-time for Child Protective Services Emergency Response, with Budget Bill Language.
- Approves no-cost Budget Bill Language to extend funding availability for Flexible Family Supports to June 30, 2028.
- Approves a no-cost proposal to address urgent service gap for adoptive children returning from out-of-state residential placements. Adopts reversion and reappropriation of unspent and available \$5 million General Fund from Complex Care Capacity Building and Complex Care Child Specific funding from prior years to support enhanced care planning and service navigation to access care in the least restrictive setting for adoptive children returning from out of state and their families to prevent reentry into the foster care system, with Budget Bill Language and placeholder trailer bill language.
- Approves the Governor's January Budget Change Proposal for the Child Welfare Training Program: Funding Shift from Local Assistance to State Operations, to shift \$947,000 (\$568,000 General Fund and \$379,000 federal funds) in fiscal year 2026-27 and \$925,000 (\$555,000 General Fund and \$370,000 federal funds) in 2027-28 and ongoing from existing local assistance to state operations to fund the equivalent of 5 positions to establish a training unit to help develop and implement additional training for county social workers and supervisors to meet state training requirements and come into compliance with federal standards.
- Approves the Governor's January Budget Change Proposal for Foster Care Placement Transition Planning (AB 896), with one-time General Fund of \$300,000 in 2026-27 to update, print, and distribute the Foster Youth Bill of Rights to reflect requirements in Chapter 564, Statutes of 2025.
- Approves the Governor's January Budget Change Proposal for the Independent Adoption Program (SB 450), with two-year limited-term funding of \$355,000 General Fund in fiscal year 2026-27 and \$326,000 General Fund in 2027-28 to support the equivalent of 2 positions to implement the requirements of Chapter 757, Statutes of 2025, related to independent adoptions that are finalized in California.
- Defers consideration of the Governor's January Trailer Bill Language proposal on Adoption Assistance Program Out-of-Home Placement and Wraparound Services to the end of the legislative session.

- Approves the Governor's May Revision Budget Change Proposal for Child Welfare Services – California Automated Response Engagement System. Approves that Item 5180-141-0001 be increased by \$179,774,000 one-time and reimbursements be increased by \$748,000 one-time, to provide resources for the continued development and implementation of the Child Welfare Services – California Automated Response Engagement System. Also approves that Item 5180-141-0890 be increased by \$176,794,000 one-time for the same purpose. Additionally, approves provisional language to both items regarding legislative reporting requirements and to authorize Finance to augment the project budget by unused amounts, in both the current and prior years. The Administration states that these changes are aligned with planning reports and do not represent an increase (or decrease) in those anticipated amounts for this project.
- Approves the Governor's May Revision proposal for the Title IV-E Stipend Project One-Time Augmentation of \$18.4 million General Fund in 2026-27 one-time to maintain current service levels for students currently enrolled in the Bachelors of Social Work/Masters of Social Work programs and increases this by \$4.5 million one-time Behavioral Health Services Act (BHSA) Behavioral Health Workforce Initiative funds redirected from the HCAI workforce initiative.

CalWORKs

- Approves the May Revision proposal for a CalWORKs AB 85 Maximum Aid Payment Increase, with placeholder trailer bill language.
- Approves Legislative Trailer Bill Language on the CalWORKs Rate of Homelessness, requiring the Department of Social Services to report on specific information.
- Approves the May Revision proposal regarding the CalWORKs Special Needs Notice of Action. Approves that Item 5180-141-0001 be increased by \$605,000 in 2026-27 for automation of the CalWORKs Special Needs Notice of Action.
- Approves a one-time \$26 million reduction to the CalWORKs Mental Health and Substance Abuse program for 2026-27, bringing the appropriation from \$126.6 million that was a planned restoration in the Governor's Budget for 2026-27 to instead \$100.6 million, which is equivalent to the level of funding in 2025-26. This action includes adoption of reappropriation authority in Budget Bill Language of up to \$20 million unspent funds available from 2024-25 to go back into the program to assist with making up for the reduction in budget year.

Supplemental Security Income/State Supplementary Payment (SSI/SSP)

- Approves the May Revision estimates adjustments with no major changes for SSI/SSP.

Community Care Licensing

- Approves the Governor's January Budget Change Proposal for the Facility Management System, with \$16,093,000 General Fund one-time for fiscal year 2026-27 to support the development, implementation, and maintenance of the Facility Management System (FMS). This includes funding for 1 existing permanent position and the equivalent of 16 positions to facilitate the successful completion of the FMS project. The most critical objective of the FMS project is to replace eight CCLD legacy systems. Health & Safety Code Sections 1501 (a) and 1596.72 (b) require CDSS to provide a comprehensive, quality system for licensing care facilities to ensure a quality care environment.
- Approves the Governor's January Budget Change Proposal for a Home Care Services Branch Augmentation, with \$1,475,000 General Fund, \$2,500,000 Home Care Fund, and 3 permanent positions in 2026-27 and ongoing, which includes funding to continue supporting 15 existing permanent positions. In addition, approves General Fund loan forgiveness for \$5,681,000 which reflects the current outstanding General Fund loan balance for the Home Care Fund. Approves related provisional language and related placeholder trailer bill language.
- Approves the Governor's January Budget Change Proposal for Licensing During Emergencies and Disasters (SB 582), with \$939,000 General Fund in 2026-27 and \$919,000 General Fund in 2026-27 for the equivalent of five positions, and \$195,000 General Fund in 2027-28 ongoing to support the equivalent of one position to address the impact of Senate Bill (SB) 582 (Chapter 546, Statutes of 2025).
- Approves the Governor's January Budget Change Proposal for the Seizure Emergency Response Act (AB 1172), with two-year limited-term funding of \$777,000 General Fund in fiscal year 2026-27 and \$757,000 General Fund in 2027-28 to support the equivalent of 4 positions to address the increased workload for training and enforcement related to the implementation of Chapter 448, Statutes of 2025. Chapter 448, Statutes of 2025 (AB 1172), enacts the Seizure Emergency Response Act, authorizing licensed ADP or ARF, as defined in Health and Safety Code (HSC) Section 1502, to train volunteers to recognize and respond to seizures. The bill also permits the volunteers to administer inhalable emergency antiseizure medication to individuals diagnosed with seizures, seizure disorders, or epilepsy. Additionally, this bill codifies requirements for licensed facilities.
- Approves placeholder trailer bill language regarding the Governor's January Trailer Bill Language proposal on Home Care Biennial Inspections Regulations Extension.
- Approves placeholder trailer bill language regarding the Governor's January Trailer Bill Language proposal on Home Care Services Branch Funding.
- Approves placeholder trailer bill language regarding the Governor's May Revision Trailer Bill Language proposal on Community Care Licensing Statute Modernization.
- Approves placeholder trailer bill language regarding the Governor's May Revision Trailer Bill Language proposal on Home Care Services Branch Fee Structure.

- Approves the Governor's May Revision Budget Change Proposal for the Guardian Background Check System. Approves that Item 5180-001-0001 be increased by \$858,000 in fiscal year 2026-27 and \$1,218,000 in 2027-28, to provide continued support for the Guardian background check system, including maintenance and operations and interface development with the Facility Management System.

Automation, Technology, and Security

- Approves the Governor's January Budget Change Proposal for Enterprise Data to Avoid Federal Fiscal Penalties, with \$2,670,000 (\$1,896,000 General Fund, \$774,000 Federal Fund) in fiscal year 2026-27 and \$2,604,000 (\$1,848,000 General Fund, \$756,000 Federal Fund) in fiscal year 2027-28 and ongoing for the equivalent of 11.0 positions to maintain the Department's administrative data within a secure, cloud-based data warehouse. The data warehouse will support the Department's ability to meet state and federal reporting requirements, avoid further fiscal penalties, and produce timely and policy-relevant data analysis.
- Approves a modified version of the Governor's January Budget Change Proposal for Resources to Respond to Federal Changes, with \$2,718,000 (\$1,730,000 General Fund, \$988,000 Federal Fund) in fiscal year 2026-27 and \$2,666,000 (\$1,696,000, \$970,000) in 2027-28 and four (4.0) positions on a two-year, limited-term basis. The requested resources also include funding equivalent to five (5.0) additional positions, also approved for two years, limited term, and the procurement of data security software to address the growing complexity and volume of changes related to federal policies and laws.
- Approves the Governor's May Revision Budget Change Proposal for Statewide Verification Hub. Approves that Item 5180-001-0001 be decreased by 4 positions and the positions be transferred to the Office of Technology Solutions in 2026-27 and ongoing to support the Office of Technology Solutions and Integrations implementation of the Statewide Verification Hub IT Project, consistent with the adjustment in issue 044 of the California Health and Human Services Agency Letter.

Additional for Department of Social Services

- Approves the Governor's January Budget Change Proposal to Ensure Access to Medicaid Services (Access Rule), with \$2,820,000 (\$374,000 General Fund and \$2,446,000 reimbursements) in fiscal year 2026-27 and \$5,336,000 (\$1,444,000 General Fund and \$3,892,000 reimbursements) in 2027-28 and ongoing, and 27 permanent positions to manage the workload associated with implementing the Centers for Medicare and Medicaid Services (CMS) Ensuring Access to Medicaid Services Final Rule (CMS-2442-F).
- Approves placeholder trailer bill language regarding the Governor's May Revision Trailer Bill Language proposal on California Guaranteed Income Pilot Program Sunset Extension.

- Approves the Governor's May Revision Budget Change Proposal for Recovery and Restoration and American Relief Act Disaster Funds Staffing Support. Approves that reimbursements in Item 5180-001-0001 be increased by \$382,000 in 2026-27 and \$374,000 in 2027-28 and 2028-29 to provide State Operations to administer the Supplemental American Relief Act disaster funds and the Fire Recovery and Restoration Grant programs. It is also requested that Item 5180-001-0890 be increased by \$736,000 in 2026-27, \$720,000 in 2027-28 and 2028-29, and \$180,000 in 2029-30.
- Approves the Governor's May Revision Caseload Adjustments. The 2026-27 May Revision proposes a net increase of \$131,879,000 total funds in 2026-27 that is primarily driven by updated caseload estimates since the 2026-27 Governor's Budget. The net increase in total funds in 2026-27 is comprised of a \$29,681,000 General Fund decrease, \$70,284,000 federal fund decrease, \$231,845,000 reimbursement increase, and \$1,000 in special fund decrease.
- Approves the Governor's May Revision's Various Reappropriations for Support and Local Assistance through June 30, 2027, and June 30, 2028, as specified in the Department of Social Services May Revision finance letter.
- Approves the Governor's May Revision's proposal regarding Tribal Housing and Homelessness Funding Liquidation Extension. Approves that Item 5180-492 be added to extend the liquidation of up to \$10.8 million from Item 5180-151-0001, Budget Act of 2021, for the Home Safe Program, Bringing Families Home Program, and the Housing Disability Advocacy program through June 30, 2030.
- Approves the Governor's May Revision's Various Reversions for State Operations and Local Assistance as specified in the Department of Social Services May Revision finance letter.
- Approves the Governor's May Revision's Provisional Language Only: General Fund Loan Increases, as specified in the Department of Social Services May Revision finance letter.
- Approves the Governor's May Revision additional provisional language requests as specified in the Department of Social Services May Revision finance letter.

Department of Developmental Services

- Approves the Governor's January Budget Change Proposal for Federal Access Rule Resources, with \$2.4 million (\$2.1 million General Fund) and 9 permanent positions in 2026-27 and ongoing to support the increased workload related to compliance with new federal Home and Community-Based Services Access Rule requirements. This request is to make permanent the temporary resources that were approved in 2025-2026.
- Approves the Governor's January Budget Change Proposal for the Life Outcomes Improvement System (LOIS), with \$14.6 million (\$5.7 million General Fund) for one-year limited-term resources equivalent to 20 positions along with contract costs and resources for regional center positions related to data analysis, migration, and governance workload

needed to continue the planning phase of the Project Approval Lifecycle process on the Life Outcomes Improvement System (LOIS) project.

- Approves placeholder trailer bill language regarding the Governor’s January Trailer Bill Language proposal on Rate Reform and Quality Incentive Program Contract Exemption.
- Approves placeholder trailer bill language regarding the Governor’s January Trailer Bill Language proposal on Early Intervention Programs Oversight.
- Approves placeholder trailer bill language regarding the Governor’s January Trailer Bill Language proposal on the Life Outcomes Improvement System (LOIS).
- Approves placeholder trailer bill language regarding the Governor’s January Trailer Bill Language proposal on Remote Services.
- Approves placeholder trailer bill language regarding the Governor’s January Trailer Bill Language proposal on Regional Center Oversight and Fiscal Allocation Letter.
- Approves placeholder trailer bill language regarding the Governor’s January Trailer Bill Language proposal on implementation of a New Grievance Process, as required by Federal Access Rule regulations.
- Approves placeholder trailer bill language regarding the Governor’s January Trailer Bill Language proposal on Employment Access Alignment. DDS is partnering with the Department of Rehabilitation to create a “no wrong door” service.
- Approves placeholder trailer bill language regarding the Governor’s January Trailer Bill Language proposal on Regional Center Supported Living Services 40-Hour Work Week.
- Approves placeholder trailer bill language regarding the Governor’s January Trailer Bill Language proposal on the Self-Determination Program Administrative Costs Funding. Reappropriates unspent Local Volunteer Advisory Committee (LVAC) funding from 2023-24 and extends encumbrance periods for LVAC funds from 2024-25 and 2025-26 to allow approximately \$4.3 million to support continued LVAC funding of \$1 million per year for 2026-27 through 2029-30, and allow up to \$1 million each year for LVACs thereafter.
- Approves the May Revision proposal regarding the Home and Community-Based Services Federal Access Rule – Regional Center Resources. Approves that Item 4300-101-0001 be increased by \$779,000 in fiscal year 2026-27 and by \$1,559,000 ongoing, and reimbursements be increased by \$337,000 in 2026-27 and by \$674,000 ongoing, for regional center resources to facilitate compliance with the Home and Community-Based Services Federal Access Rule new grievance process.
- Approves the May Revision proposal regarding Center-Based Early Start Service Providers. Approves that Item 4300-101-0001 be increased by \$12,442,000 and reimbursements be increased by \$2,558,000 ongoing to adjust the current rate methodology for center-based Early Start service providers.

- Approves placeholder trailer bill language regarding the Governor's May Revision Trailer Bill Language proposal on an Equitable and Consistent Needs Assessment, with Budget Change Proposal. Approves \$11.5 million (\$9.1 million General Fund) in 2026- 27, \$9.4 million (\$7.1 million General Fund) in 2027-28, and \$2.8 million (\$2.4 million General Fund) in 2028-29 and ongoing thereafter to support implementation of standardized intake and assessment practices and modernization of the current evaluation tool, the Client Development Evaluation Report. The proposal includes 9 permanent headquarters positions, two year limited-term regional center resources, and contract support for tool development, information technology infrastructure, training, and statewide change management activities.
- Approves the May Revision request regarding Regional Centers – Caseload and Utilization May Revision. Approves that Item 4300-101-0001 be decreased by \$78,307,000 and reimbursements be increased by \$516,027,000 ongoing. It is also requested that Item 4300-101-0890 be decreased by \$42,000 ongoing. These adjustments reflect updated expenditure estimates in operations and purchase of services driven by caseload and utilization and updated federal financial participation claiming.
- Approves the May Revision request regarding Budget Bill Language to change General Fund loan authority from \$1,484,058,000 to \$1,588,373,000 to reflect revised federal reimbursement estimates.
- Approves the Governor's May Revision Budget Change Proposal for Porterville: Install Fire Sprinkler System. Approves that Item 4300-301-0001 be added in the amount of \$915,000 one-time General Fund for the working drawings phase of this project and \$7,019,000 one-time General Fund for the construction phase. In addition, it is requested that Item 4300-496 be added to revert \$2,196,000 General Fund of existing authority for the construction phase, resulting in a net increase of \$4,823,000. The overall cost of the construction phase is \$10,924,000, of which \$3,905,000 was previously encumbered. The project was bid in early 2026, with the only respondent seeking \$6.7 million for the contract, well over the state's estimate. The higher bid was attributable to ceiling deficiencies, hazardous materials, and working in a secure environment at a remote location. Concurrently, the capital outlay project schedule now aligns with a deferred maintenance effort to replace the ceiling and walls in the same building. By consolidating these two projects, the department anticipates improved project delivery and overall reduced costs.
- Approves placeholder trailer bill language regarding the Governor's May Revision Trailer Bill Language proposal on the Family Teaching Model.
- Approves placeholder trailer bill language regarding the Governor's May Revision Trailer Bill Language proposal regarding the Tailored Day Services Model Update.

- Approves placeholder trailer bill language regarding the Governor's May Revision Trailer Bill Language proposal regarding the Merger of the Community Placement Plan and Community Resources Development Plan.
- Approves placeholder trailer bill language regarding the Governor's May Revision Trailer Bill Language proposal regarding State-Operated Community-Based Facility Purchases.
- Approves placeholder trailer bill language regarding the Governor's May Revision Trailer Bill Language proposal regarding Sunsetting Reporting Language.

State Council on Developmental Disabilities

- Approves the Governor's January Budget Change Proposal for Administrative Support Resources, in coordination with the California Health and Human Services Agency, \$730,000 General Fund in 2026-27 and ongoing to support an interagency agreement with the California Department of Social Services to provide contracted accounting, human resources, legal, information technology, contracts, procurement, and other management and staff services. This request includes corresponding reimbursement authority for the California Department of Social Services.

California Department of Aging

- Approves \$20 million General Fund one-time for disadvantaged seniors, with Budget Bill Language.
- Approves the Governor's January Budget Change Proposal for the Health Insurance Counseling and Advocacy Program (HICAP) Modernization, for \$3.49 million in 2026-27 and \$5.52 million ongoing Health Insurance Counseling and Advocacy Program (HICAP) Fund to (1) make permanent existing state and local resources included in the 2021 Budget Act in 2021-22, and (2) hire additional HICAP counselor positions and improve and standardize HICAP training statewide. This request would strengthen the HICAP modernization efforts to hire, train, and coordinate the activities of paid staff and volunteers to serve more Medicare beneficiaries and improve service quality through standardized statewide training and access, and improve cultural competency and services to diverse and underserved communities. At the CDA level, the resources would support 3 positions that provide local HICAP training, fiscal technical assistance, and data collection and analysis.
- Approves the Governor's January Budget Change Proposal for the Meal Program: Senior Citizens (AB 1476), for \$152,000 General Fund in 2026-27 and ongoing to support 1 position for increased oversight responsibilities for the Older American's Act Title III-C Nutrition Program pursuant to Chapter 302, Statutes of 2025 (AB 1476).
- Approves the May Revision Budget Change Proposal for the Multipurpose Senior Services Program Case Management Software and Support, with Item 4170-001-0001 decreased by \$196,000 in fiscal year 2026-27, \$16,000 in 2027-28, and Item 4170-495 added to revert \$51,000 due to identified cost efficiencies from transitioning delegated

project oversight to the California Health and Human Services Agency from the California Department of Technology.

- Approves placeholder trailer bill language for the Intrastate Funding Formula May Revision issue.

Department of Rehabilitation

- Approves the Governor's January Budget Change Proposal for Strengthening Vocational Rehabilitation Program Capacity to Serve Californians with Disabilities, which includes an increase of \$60 million in ongoing federal fund authority and 54 permanent positions to meet the increased demand for vocational rehabilitation services. The requested resources would serve individuals with disabilities and further the goals of competitive integrated employment in accordance with Chapter 339, Statutes of 2021 (SB 639). Increased resources would also advance the work of the Master Plan for Developmental Services and reduce impacts of the Order of Selection on the Vocational Rehabilitation Program.
- Approves the Governor's May Revision Budget Bill Language that requested that Provisions 1 and 2 of Item 5160-001-0001 be amended to: (1) Make technical changes regarding the use of both certified time and cash as match for federal vocational rehabilitation funds and, (2) Add General Fund loan authority, not to exceed 50 percent of the amount appropriated in Item 5160-001-0890, to assist in program cashflow needs related to delays in the receipt of federal vocational rehabilitation grant funds.

Department of Community Services and Development

- Defers to actions in Natural Resources and Climate area for the Governor's January Budget Change proposal that made requests for resource allocation in the Climate Bond (Proposition 4) 2026-27 Expenditure Plan for programs under the Department of Community Services and Development.
- Approves the Governor's January Budget Change Proposal for the Low-Income Weatherization Program, which includes a reappropriation of unexpended Greenhouse Gas Reduction Fund resources allocated in fiscal years 2021-22, 2022-23, and 2023-24 to administer and support both the Farmworker Housing (FWH) and Multifamily Housing (MFH) components of the Low-Income Weatherization Program (LIWP). These funds are set to expire on June 30, 2026. This request would extend the FWH liquidation period through the end of 2026-27 and would extend the MFH availability to the end of 2027-28.
- Approves the Governor's May Revision Budget Change Proposal for Increased Reimbursement Authority for the California Earned Income Tax Credit Program. Approves that Item 4700-001-0001 be amended by increasing reimbursements by \$450,000 ongoing and Item 4700-101-0001 be amended by increasing reimbursements by \$5 million ongoing to support an existing interagency agreement with the Franchise Tax Board to provide outreach regarding the California Earned Income Tax Credit and the federal Earned Income Tax Credit, among other programs and services.

- Approves the Governor's May Revision Budget Change Proposal for Budget Bill Language for a General Fund Cash Flow Loan. Approves that Provision 1 of Item 4700-001-0001 be amended to increase General Fund loan authority from \$3 million to \$5 million to assist in program cash flow needs related to unanticipated delays in the receipt of federal funds.
- Approves the Governor's May Revision Budget Change Proposal for Budget Bill Language for a General Fund Cash Flow Loan as it pertains to Local Assistance. Approves that Provision 1 of Item 4700-101-0001 be amended to increase General Fund loan authority from \$40 million to \$305 million to facilitate more efficient cash flow, particularly when federal reimbursements are delayed.

Department of Child Support Services

- Approves the Governor's May Revision Local Assistance Estimate changes, which request that Item 5175-101-0890 be decreased by \$935,000 ongoing, reflecting a net total of two adjustments: (1) a decrease of \$1,345,000 based on updated child support collections data, and (2) an increase of \$410,000 in Federal Performance Basic Incentives funding. Correspondingly, it is also requested that Item 5175-101-8004 (Child Support Collections Recovery Fund) be increased by \$1,345,000 ongoing to reflect an estimated increase in collections received for the federal government's share of child support recoupment based on updated child support collections information.

California Health and Human Services Agency

- Approves the May Revision Budget Change Proposal on Reappropriation for Workload Resources per Budget Act of 2025 (Chapter 104, Statutes of 2025). Item 0530-490 is amended to reappropriate up to \$294,000 from Item 0530-001-0001 of the 2025 Budget Act, to address increases in legal workload associated with House of Representatives 1.
- Approves the May Revision Budget Change Proposal for the Statewide Verification Hub Project. Item 0530-001-9745 is increased by \$831,000 and 4 positions ongoing to support the Office of Technology and Solutions Integration's development of the Statewide Verification Hub. This adjustment is consistent with the adjustment in Issue 146 of the California Department of Social Services' Finance Letter.
- Takes actions on additional proposals for the California Health and Human Services Agency under other issue areas.

PK-12 PUBLIC EDUCATION AND EARLY EDUCATION

Proposition 98 Funding: Early Education, TK-12, and Community Colleges

- Estimates a Proposition 98 funding level of \$124.9 billion in 2024-25, \$127 billion in 2025-26, and \$127.9 billion in the 2026-27 Budget Year.
- Increases the projected Proposition 98 “Rainy Day” fund, the Public School System Stabilization Account, to a total of \$9.5 billion through the Budget year, compared to the 2025-26 enacted budget.
- Increases the 2024-25 Maintenance Factor payment to a total of \$8.3 billion, which fully funds the obligation.
- Pays off all Proposition 98 funding deferrals in the Budget Year.
- Commits to working with Governor and Senate on a reliable schedule to pay the full obligation to Proposition 98 funding for the 2025-26 fiscal year.

Major PreK-12 Education Provisions

- Increases Proposition 98 funding for the Local Control Funding Formula (LCFF) by \$2.2 billion, reflecting declining enrollment, Universal Transitional Kindergarten (UTK) and a 4.31% cost-of-living adjustment (COLA) in 2026-27. Provides an increase of \$32.7 million for County Office of Education LCFF COLA and paid pregnancy leave costs.
- Provides \$261 million for a 2.87% COLA to all statutorily required TK-12 programs, except preschool.
- Funds and requires up to 14 weeks of Paid Pregnancy Disability Leave for educators, through an ongoing increase to the Local Control Funding Formula.
- Provides \$5.2 billion, for an additional one-time Student Support and Discretionary Block Grant, based on average daily attendance, that includes support for dual enrollment, career pathways approaches, and professional development for educators in UTK, English Language Arts and Development, and mathematics, induction, mentorship, community schools, and deferred maintenance. Requires a local hearing on declining enrollment and reporting as an LCAP addendum.
- Provides an ongoing \$1 billion investment to expand the California Community Schools Partnership Program to all eligible school sites, with trailer bill to stabilize the System of Support, authorize ongoing County Coordinators, refresh the State Board Framework, and codify program minimum standards and reporting.
- Creates one-time investments in the Community Schools Partnership Program expansion for the 2026-27 fiscal year:

- \$400 million for Planning Grants for Local Educational Agencies with new Community Schools and to collaborate in Promise Neighborhood initiatives.
 - \$50 million for Middle and High School Redesign consistent with the Community Schools Framework.
 - \$28 million for the State Transformation Assistance Center to design Community Schools certification standards.
 - \$6 million for the CYBHI Transforming Together initiative
 - \$50 million for the Multi-Tiered Systems of Support (MTSS) initiative.
- Increases Special Education base rates by an ongoing total of \$1.8 billion, in addition to COLA to increase per pupil funding to \$1,340, and increases the cost pools by \$80 million.
 - Allocates \$1.5 billion in Proposition 2 school facility bond funds for 2026-27 construction projects.
 - Adjusts the Home to School Transportation funding with \$322 million one-time and \$239.2 million ongoing to reflect costs.
 - Increases the Expanded Learning Opportunities Program (ELOP) by \$62.4 million ongoing, with a new stable \$1,800 per unduplicated pupil rate for local education agencies with less than 55% total unduplicated pupils. Prioritizes ASES and 21st Century after school competitive grants for community schools with no ELOP funding.
 - Increases the Necessary Small Schools funding by 20 percent in the Local Control Funding Formula, with \$30.7 million ongoing Proposition 98.
 - Expands and revises the formula funding for County Offices of Education to provide universal and targeted assistance in the System of Support for struggling schools, by \$11 million ongoing Proposition 98. Includes statutory proposals for updated timelines for support identification. Rejects proposals for removing Education Code standards to define minimum State Dashboard standards for a struggling Local Education Agency.
 - Expands the existing Learning Recovery Emergency Block Grant with \$757.3 million one-time funding through 2027-28, to a restored total of \$7.2 billion.
 - Extends the Student Teacher Stipend program through 2031-2032 and expands the program for high-need fields and priority schools, with \$450 million, one-time.
 - Creates the Bilingual Teacher Pathway Program, with \$25 million, one-time.
 - Extends the Classified Employees Teacher Credentialing Program through 2032 with \$25 million, one-time.
 - Extends the Teacher Residency programs through 2029-30 with an increase of \$250 million, one-time.

- Creates a new, \$300 million one-time grant to support identification of Students Experiencing Homelessness through 2031-2032.
- Provides \$350 million one-time Proposition 98 General Fund for the Dream Resource Center Grant, as implemented by Chapter 424, Statutes of 2023 (AB 278, Reyes).
- Provides \$350 million one-time Proposition 98 General Fund for the California Newcomers (CalNEW) program, administered by the Department of Social Services.
- Provides \$100 million, one-time for expanding dual enrollment programs, with a maintenance of effort requirement for grantees, instructional minutes flexibility, up to 75% set-aside for CCAP programs, and a-g dual credit technical assistance through the CA College Guidance Initiative.
- Provides \$300 million, one-time for the Career Technical Education Incentive Grant through 2029.
- Proposes an additional \$700 million one-time for the Kitchen, Infrastructure and Training program, with a clarification that Family Food Pantries and “hands-on” food education, including school gardens, are an allowable local decision.
- Provides \$16.2 million in ongoing federal IDEA funding to the Golden State Teachers Grant program, for special education teacher applicants, and \$1.6 million federal Title II funds for all program applicants in 2026-27, and provides \$10 million one-time General Fund for grants in 2027-28. Increases special education teacher grant levels to \$20,000, and restores grant priority for teachers in high-need fields.
- Maintains the California universal meals commitment with an increase in \$2.8 million in annual Proposition 98 funding, to reflect meal service estimates and a proposed meal reimbursement rate increase.
- Provides an additional \$40 million one-time Proposition 98 for the implementation costs in 2026-27 for the new reading difficulties screener.
- Funds the UCSF Dyslexia Center with \$5 million one-time, for the Multitudes Screener.
- Adopts statutory changes for screen administration timelines in kindergarten.
- Provides an additional \$22.9 million one-time Proposition 98 support for LEAs recovering from the 2025 wildfires.
- Increases the Fiscal Crisis and Management Assistance Team funding by \$994,000 ongoing Proposition 98.
- Increases the California School Information System funding by \$966,000 ongoing Proposition 98.

- Increases the K-12 High Speed Network funding by \$629,000 ongoing Proposition 98.
- Provides \$890,000 ongoing Proposition 98 funding for the Los Angeles County Office of Education science performance task resources.
- Increases the Quality Rating and Improvement Grant with \$20 million, ongoing.
- Increases the Mandate Block Grant by \$1.7 million ongoing for the Menstrual Products mandated program.
- Extends Literacy Coaches grants through the 2030-31 fiscal year with \$200 million, one-time, and the Literacy Coaches and Reading Specialists Educator Training grant with \$10 million, one-time.
- Extends the Math Professional Learning Partnership to more grantees and through the 2028-29 fiscal year with \$30 million one-time.
- Provides a one-time increase of \$25 million for the Inclusive College Technical Assistance Center, with \$10 million to support alternative diploma pathways.
- Extends the Teacher Residency Technical Assistance Center through 2034 with \$30 million, one-time. Adopts trailer bill language for repayment.
- Extends the 21st Century California School Leadership Academy with \$15 million, one-time.
- Funds the California Student Opportunity and Access Program with \$24 million, one-time.
- Provides an additional \$10 million one-time for the Holocaust and Genocide Education Grant Program.
- Approves \$5 million one-time for a Commission on Teacher Credentialing teacher candidate transcript review IT system, and a \$25 fee increase on teacher credentials to offset the ongoing policy changes.
- Adds Menstrual Products mandate to the K12 Mandates Block Grant.
- Provides funding for operational costs and scholarships at the California State Summer School for the Arts.
- Provides funding for perimeter fencing and deferred maintenance at the Fremont Campus for the State Special Schools.
- Appropriates federal adult education one-time carryover for the existing English Learner health careers program through the California Community College Chancellor's Office.

- Appropriates \$5 million federal expanded learning one-time carryover for the Save the Children program in rural areas.
- Approves various federal fund adjustments, consistent with the May Revision, for federal fund availability, including Special Education.
- Adopts numerous charter and school fiscal accountability provisions, consistent with the May Revision trailer bill proposals.
- Adopts trailer bill proposals for Single-District Counties, LEA Financial Systems, and Plumas USD waivers.
- Adopts trailer bill proposals for Educator Subject Matter Competency.
- Adopts trailer bill proposal for National Board Certification Grant eligibility, with continued requirement for teaching in a high priority school.
- Adopts trailer bill proposal for Teacher Supply Data and Reporting.
- Approves Educator Credential fee increase authority for the Commission on Teacher Credentialing.
- Clarifies State Allocation Board waiver authority.
- Clarifies Cradle to Career Data System reporting requirements.
- Approves all California Department of Education January Budget and May Revision State Operations augmentations, including positions, federal litigation costs, and Server Room Power Supply.
- Approves all Commission on Teacher Credentialing January Budget and May Revision Budget Change Proposals for State Operations augmentations.

Early Education and Child Care

- Provides total spending of \$7.7 billion for California Department of Social Services child care programs, and \$2.8 billion for California Department of Education preschool programs.
- Increases child care access by 22,770 new childcare slots, with a priority for children ages 0-3.
- Rejects May Revision proposal to reduce the General Child Care program by 6,798 slots, and the January Budget proposal to reduce childcare programs by 4,400 slots.

- Maintains the projected enrollment for three- and four-year-olds served in the State Preschool program, and authorizes up to 5 days of paid professional development beginning in 2027-28.
- Provides childcare and state preschool a 2% COLA, with trailer bill language to support progress toward a single rate system.
- Extends the existing Universal Prekindergarten Grants with \$250 million, one-time.
- Provides \$28 million one-time federal funding, and \$11 million one-time Prop 64 funding in the existing childcare infrastructure grant program, for child care providers impacted by wildfires.
- Provides an ongoing increase of \$70 million for Alternative Payment Program administration costs, to fund the collectively bargained administrative requirements for the program, as a part of regular contract services.
- Authorizes \$144 million one-time, for the CDSS to expedite Cost of Care Plus payments on an ongoing basis.
- Repeals prospective pay provisions and funding for all childcare and preschool programs.
- Adopts Education Code trailer bill proposals for preschool waivers, eligibility portability, provider fee collection, streamlining eligibility, and electronic funds transfer.
- Adopts Welfare and Institutions Code trailer bill proposals for family fees collection (as amended), abandonment of care, substitute care providers, CalWORKS childcare conformity, childcare site safety, and Low Income Investment Fund augmentations.
- Adopts amended placeholder trailer bill for the single rate system's age groupings and inclusion framework statutory changes.
- Approves CDSS childcare-related positions Budget Change proposals, and an Early Childhood Policy Council position with carryover funds.

HIGHER EDUCATION

University of California

- Provides \$254.3 million ongoing General Fund for the fifth and final year of the Governor's Compact funding of the UC. Also includes \$96.3 million for partial funding of the fourth year, as expected based on the 2025 budget agreement.
- Extends the repayment of a one-time 3 percent funding reduction of \$129.7 million included in the 2025 budget by one year from 2026-27 until 2027-28.
- Maintains a 2025 Budget Act agreement to defer the 2025-26 compact's \$240.8 million ongoing General Fund to support a 5% base increase until 2027-28. As part of the deferral arrangement, the state would plan to provide UC with one-time back payments in 2026-27 and 2027-28.
- Maintains a 2024-25 Budget Act agreement to defer \$31 million ongoing General Fund to continue the 5-year program to replace nonresident students with California students at the Berkeley, Los Angeles and San Diego campuses until 2027-28.
- Provides \$1.5 million General Fund to support the First Star Academy Youth Cohorts at UC campuses, as proposed in the May Revision.
- Includes \$9 million one-time to continue the Cal-Bridge program.
- Adds \$750,000 one-time for the ENLACE program.
- Provides \$3.4 million one-time for the University of California Menopause Centers of Excellence.
- Includes \$5 million one-time for the UCLA Center for Reproductive Health, Law, and Policy.
- Adds \$3.6 million one-time to expand Prime RX program at UC San Diego.
- Appropriates \$1.8 million one-time to UC Berkeley for the ACCESS optometry program.
- Includes \$3 million one-time to UC San Diego for a workforce development initiative.
- Adds \$6.5 million one-time to UC for the Voting Right's Program.
- Provides \$6.5 million one-time to UCLA for the Ralph J. Bunche Center.

California State University

- Includes \$264.8 million base funding augmentation for the fifth-year compact funding.
- Includes provisional language related to prioritizing campus enrollment growth funding to campuses that have exceeded their enrollment target.
- Provides \$100.9 million General fund for the partial funding of the 2025 fourth compact payment, as assumed in the 2025 budget package.
- Extends the repayment of a one-time 3 percent funding reduction of \$143.8 million included in the 2025 budget by one year from 2026-27 until 2027-28.
- Maintains a 2025 Budget Act agreement to defer \$252.3 million ongoing General Fund to support a 5% base increase until 2027-28. As part of the deferral arrangement, the state would plan to provide UC with one-time back payments in 2026-27 and 2027-28.
- Provides \$5.4 million one-time for the CAMINO project.

California Community Colleges

- Provides \$438.3 million ongoing Proposition 98 General Fund a 4.31 percent cost-of-living adjustment for Student Centered Funding Formula apportionments.
- Provides \$213.7 million ongoing Proposition 98 General Fund to support (1.0% growth in 25-26 and 2.5% enrollment growth in 26-27, with language to allow districts to be funded at the higher of actual enrollment or the three year average enrollment.
- Includes \$408.3 million one-time Proposition 98 to fully repay deferrals to the Student-Centered Funding Formula in 2026-27.
- Increases by \$38.1 million Proposition 98 General Fund, the base operations of Calbright College with trailer bill to establish oversight and enrollment reporting.
- Provides \$41 million Proposition 98 General Fund, of which \$5 million is ongoing, for scaling of a common cloud data platform across the system.
- Provides \$739.9 million one-time Proposition 2 bond funds to support 10 new and 29 continuing 28 community college facilities projects.
- Includes \$120.7 million Proposition 98 General Fund for deferred maintenance needs.
- Adds \$37 million Proposition 98 General Fund for support for the Credit for Prior Learning Initiative.
- Provides an increase of \$14.3 million Proposition 98 General Fund to support the California Healthy School Food Pathways Program.

- Provides \$30.6 million ongoing Proposition 98 General Fund to support a 2.87% cost-of-living adjustment for select categorical programs, including adult education.
- Includes \$13.4 million Proposition 98 General Fund for the Apprenticeship Related and Supplemental Instruction Costs Backfill to address costs from 2024-25 and 2025-26.
- Reflects a decrease of \$346.4 million Proposition 98 General Fund for property tax offsets due to increasing local property tax levels.
- Provides, to TK-12 schools, \$100 million Proposition 98 General Fund to increase career pathways for high school students, including expanding dual enrollment at community colleges.
- Provides an additional \$197.74 million ongoing Proposition 98 General Fund to support a 4.31 percent cost-of-living adjustment for Student Centered Funding Formula apportionments.
- Includes a new requirement that all community colleges provide all employees with up to 14 weeks of paid pregnancy disability leave beginning in 2026-27.
- Reflects an increase of \$122.8 million Proposition 98 General Fund for community colleges to replace decreasing projected local property tax revenues.
- Provides \$9.7 million one-time, over three years, to support the Adult Learner Demonstration Project.
- Includes a one-time Proposition 98 increase of \$117.4 million for the Student Support Block Grant.
- Provides \$30 million one-time Proposition 98 for the LGBTQ Resource Centers.
- Includes \$101.6 million one-time Proposition 98 and \$15 million ongoing for the Dreamer resource centers.
- Adds \$15 million one-time Proposition 98 for the Future of Creative Industries pilot project.
- Includes \$1.2 million one-time Proposition 98 for Cal-Bridge FAST.
- Adds \$15 million one-time Proposition 98 for the Future of Creative Industries pilot project.
- Includes \$14.2 million ongoing Proposition 98 to support the California Indian Nations College.

California Student Aid Commission

- Increases the aged limit for CalGrant eligibility for community college transfers from age 28 to 30, for five years starting in the 2027-2028 academic year, for a cost of \$9.8 million per year.
- Provides \$16.2 million in new federal special education funds to provide perspective special education teachers with a grant of \$20,000 and \$1.6 million in federal IDEA funding that will award prospective teachers in other subject matter areas a grant of up to \$10,000.
- Includes \$10 million in 2027-28 for additional Golden State Teacher grants for high-need fields.
- Includes \$423 million for the Middle Class Scholarship Award for 2026-27, which is expected to meet 17.5 percent of student need for the 300,000 students that receive the awards. For 2025-26 the budget includes \$1.1 billion for this purpose and covers 30 percent of student need.
- Includes \$664,000 to implement the new federal Workforce Pell Grant program authorized by HR 1, subject to legislation.

College of the Law, San Francisco

- Provides \$1 million ongoing General Fund to support campus public safety and security programs.

CaINAGPRA

- Adopts technical trailer bill language to clarify how state university systems comply with the California Native American Graves Protection and Repatriation Act.

State Library

- Rejects a proposed rental rate increase included in the January budget for a one-time savings of \$1.1 million.
- Adopted Trailer Bill to "clarify funding authority at the California State Library" programs.

NATURAL RESOURCES

Prop. 4 - Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024

- Includes a lump sum of \$2.631 billion of Prop. 4, but defers details of the Prop. 4 expenditure plan to future budget agreements.

Secretary of Natural Resources Agency

- Includes \$1,698,000 Exposition Park Improvement Fund ongoing to support increased baseline public safety and legal services.
- Includes \$700,000 one-time in 2026-27 from the Lake Tahoe Science and Lake Improvement Account to support the Tahoe Science Advisory Council's work to understand and improve Lake Tahoe's clarity in the face of changing climate conditions.
- Includes a one-time augmentation of approximately \$25 million from the California Ocean Protection Trust Fund in 2026-27 to account for the increase in mitigation funds received by the state for the Once-Through Cooling Interim Mitigation Program.
- Includes \$8.835 million Environmental Enhancement and Mitigation Fund one-time in 2026-27, as well as associated provisional language, to provide additional support for Phase 2 of the Wallis Annenberg Wildlife Crossing project for estimated project completion by the end of calendar year 2026.
- Includes the reversion of \$16.8 million Proposition 68, Section 80111(a), and a new appropriation of \$16.2 million capital outlay to DWR and \$600,000 to the California Natural Resources Agency for an agreement with the Salton Sea Authority for the North Lake Pilot Demonstration Project.
- Includes \$12 million one-time General Fund with provisional language authorizing an extended encumbrance period until June 30, 2028, to support the Museum of Tolerance, which provides education and messaging of tolerance and empowerment of the Jewish community.
- Includes \$10 million one-time General Fund for cultural, educational, and economic improvements.

Exposition Park

- Includes \$5 million one-time General Fund as a one-time augmentation for operational needs at the California African American Museum.
- Includes \$1,698,000 Exposition Park Improvement Fund ongoing to support increased baseline public safety and legal services.

- Includes \$9,325,000 General Fund and 31 permanent positions in 2026-27, increasing to \$10,612,000 in 2030-31 and ongoing, to provide the resources required to open and operate the Phase III Facility of the California Science Center.
- Includes \$96.5 million one-time (\$76 million General Fund and \$20.5 million Exposition Park Improvement Fund) for utility replacement and site improvements at Exposition Park. This funding will support critical deferred maintenance projects necessary to support security needs, code compliance, and accessibility requirements.
- Includes a transfer of \$724,000 General Fund one-time in fiscal year 2026-27 to the Exposition Park Improvement Fund to recover the costs incurred by Exposition Park from hosting the 2026 World Cup Fan Festival.
- Reappropriates the balances of previously appropriated funds to allow the California African American Museum additional time to complete priority improvements and strategic projects.

California Tahoe Conservancy

- Includes a reduction of \$320,000 of ongoing funding from the Lake Tahoe Conservancy Account and a reduction of \$108,000 in ongoing funding from the Tahoe Conservancy Fund for Lake Tahoe and Tahoe Conservancy funding realignment.
- Includes reappropriation of an existing \$500,000 Habitat Conservation Fund capital outlay appropriation for the working drawings phase of the Sunset Stables Reach 6, Upper Truckee Restoration Project.
- Includes \$500,000 (\$100,000 from the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access Fund (Proposition 68) and \$400,000 from the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006 (Proposition 84)) for various minor capital outlay projects on Conservancy land.
- Includes \$500,000 one-time reimbursement authority to the Environmental License Plate Fund for the study phase of the Upper Truckee Marsh South project. Completion of the project will result in improved biodiversity, climate resilience, water quality, and recreation on the site of the Lake Tahoe Blvd Demolition and Site Stabilization project.
- Includes \$500,000 from California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Fund (Proposition 68) to reconstruct and improve a heavily used sidewalk located on Conservancy property (Project). The sidewalk is severely deteriorated, poses a public safety concern, and directly abuts a newly constructed California Department of Transportation crosswalk on Lake Tahoe Boulevard/U.S. Highway 50, a major thoroughfare in South Lake Tahoe. The Project will upgrade the sidewalk to meet current Americans With Disabilities Act (ADA) and state standards.

- Includes \$1,035,000 one-time from the Lake Tahoe Science and Lake Improvement Account (Account) for fiscal year 2026-27 to fund special repairs and Americans with Disabilities Act (ADA) accessibility improvements at two Conservancy-owned public beach facilities on the north shore of Lake Tahoe. The two projects will address accessibility barriers, including uneven walkways and boardwalks, a shortage of accessible picnic areas and lake access points, and noncompliant restroom fixtures and site amenities.
- Includes \$130,000 one-time Proposition 1 in 2026-27 to support continuing program monitoring and program delivery activities associated with multi-benefit water quality, water supply, and watershed protection and restoration projects. This funding request allocates the remainder of the California Tahoe Conservancy's \$15 million appropriation under Water Code section 79731(b).

California Conservation Corps

- Includes \$12,292,000 (\$6,761,000 General Fund and \$5,531,000 Collins-Dugan Reimbursement Account) in fiscal year 2026-27 and \$9,442,000 (\$5,193,000 General Fund and \$4,249,000 Collins-Dugan Reimbursement Account) in 2027-28 and ongoing to fund 24.0 positions, 100.0 Corpsmembers, and 6.0 Special Corpsmembers to fully staff the new Greenwood Residential Center, scheduled for occupancy in July 2026.
- Includes one-time expenditure authority of \$5.0 million Collins-Dugan Reimbursement Account in fiscal year 2026-27 to address high priority deferred maintenance needs.
- Includes \$8.7 million, one-time Collins-Dugan Reimbursement Account in fiscal year 2026-27 to replace 84 vehicles in its aging fleet.
- Includes \$11,660,000 General Fund in fiscal year 2026-27 and \$10,786,000 General Fund ongoing to fund 49.0 positions and 47.0 full-time equivalent Corpsmember and Special Corpsmember positions to implement a year-round, seven-day per week schedule that provides adequate relief and support positions to allow CCC to align with the California Department of Forestry and Fire Protection's (CAL FIRE) Hand Crew Program schedule.
- Includes all Greenhouse Gas Reduction Fund (GGRF) funding for the California Conservation Corps.

Department of Conservation

- Includes \$2,126,000 in fiscal year 2026-27 and \$1,870,000 in 2027-28, 2028-29, and 2029-30 from the Strong Motion Instrumentation and Seismic Hazard Mapping Fund and 10 permanent positions to maintain and upgrade the state's strong motion network, the largest seismic network in California.

- Includes \$869,000 one-time from the Surface Mining and Reclamation Account for fiscal year 2026-27 to continue its work on configuring, maintaining, and operating SMARA-4, a new Software as a Service (SaaS) case management system.
- Includes an increase in appropriations from the Oil, Gas, and Geothermal Administrative (OGGA) Fund of \$1,795,000 in fiscal year 2026-27 and \$1,795,000 in 2027-28 to implement the Gravity-Based Energy Storage Well Pilot Program pursuant to Chapter 419, Statutes of 2025 (SB 567) for the Department of Conservation, the California Air Resources Board (CARB), and the State Water Resources Control Board and Regional Water Quality Control Boards (collectively, the Water Boards).
- Includes a \$7.5 million one-time reduction pursuant to Public Resources Code section 3258. As specified in statute, in the absence of a matching non-OGGA fund appropriation for the purpose of plugging and abandoning wells, the Department's additional expenditure authority was removed.

Department of Forestry and Fire Protection (CAL FIRE)

- Includes the \$1.25 billion Greenhouse Gas Reduction Fund (GGRF) CAL FIRE backfill for state operations and fire protection; appropriates all other proposed GGRF funding for CalFire.
- Includes \$5 million for the Office of State Fire Marshal to conduct a home hardening inventory report.
- Includes \$66,508,000 in fiscal year 2026-27 through 2028-29, \$69,636,000 in 2029-30, and \$74,149,000 ongoing from the General Fund for fixed-wing pilot and mechanics contract cost increases.
- Includes \$6,241,000 and 31.0 positions starting in fiscal year 2026-27, \$6,211,000 in 2027-28, \$6,439,000 in 2028-29, \$5,683,000 in 2029-30, and \$5,623,000 ongoing from the General Fund to directly support the state zone zero inspection goal of 250,000 annual parcel inspections by obtaining: (1) permanent funding and authority for 17.0 Forestry Technicians and 2.0 Research Data Analyst (RDA) Is; (2) ongoing funding for 3.0 existing Forestry Technicians currently supported with limited duration funding from the 2022-23 Wildfire and Forest Resilience (WFR) Package; and (3) additional position authority for 12.0 Forestry Technicians to be funded by an adjustment of existing budget allocations.
- Includes \$3,300,000 General Fund for the acquisition phase of the Witch Creek Fire Station: Relocate Facility project, located in San Diego County.
- Includes \$4,108,000 General Fund for the immediate repair of the kitchen at Parlin Fork Fire Center located in Mendocino County due to a structure fire.
- Includes a supplemental appropriation of \$10,000,000 General Fund for the acquisition phase of the Riverside Unit Headquarters: Relocate Facility project, located in Riverside County.

- Includes \$247,502,000 in lease-revenue bonds for the construction phase of the Shasta Trinity Unit Headquarters / Northern Operations: Relocate Facility project, located in Shasta County.
- Includes a supplemental appropriation of \$1,810,000 General Fund for the working drawings phase of the Hemet-Ryan Air Attack Base: Replace Facility project, located in Riverside County.
- Includes a supplemental appropriation of \$5,521,000 General Fund for the working drawings phases of the Hollister Air Attack Base/Bear Valley Helitack Base: Relocate Facilities project, located in San Benito County.
- Includes a supplemental appropriation of \$1,213,000 General Fund for the preliminary plans phase of the L.A. Moran Reforestation Center project, located in Yolo County.
- Includes \$3,952,000 General Fund for the working drawings phase of the Humboldt-Del Norte Unit Headquarters: Relocate Facility project, located in Humboldt County.
- Includes \$6,000,000 General Fund for the acquisition phase of Property Acquisition: Happy Valley Fire Center project located in Shasta County.
- Includes \$4,757,000 General Fund for the working drawings phase of the Boggs Mountain Helitack Base: Relocate Facility project, located in Lake County.
- Includes \$1,898,000 General Fund for the preliminary plans phase for the Howard Forest Helitack Base: Replace Facility project to replace the existing facility in Mendocino County.
- Includes a supplemental appropriation of \$4,500,000 General Fund for the acquisition phase of the Tehama Glenn Unit Headquarters: Relocate Facility project.
- Includes supplemental appropriation of \$3,554,000 General Fund for the construction phase of the Fresno Air Attack Base Infrastructure Improvement project, located in Fresno County.
- Includes \$30,285,000 Public Buildings Construction Fund for the construction phase of the Potrero Fire Station: Replace Facility project, located in San Diego County. This is a continuing project.
- Includes a supplemental appropriation of \$1,197,000 General Fund for the construction phase of the Ramona Air Attack Base: Infrastructure Improvements project, located in San Diego County.
- Includes a supplemental appropriation of \$475,000 General Fund for the redesign of the working drawings phase of the Rohnerville Air Attack Base: Replace Fuel System project, located in Humboldt County.

- Includes \$1,000,000, General Fund for the site selection portion of the acquisition phase of the Santa Clara Helitack Base: Relocate Facility project, located in Santa Clara County. This is a continuing project which was previously known as the Alma Helitack Base: Relocate Facility project. The name of the project has changed to reflect a change in the intended location of the project.
- Includes a supplemental appropriation of \$28,918,000 General Fund for the construction phase of the Statewide: Replace Communications Facilities – Phase V project, located in various counties.
- Includes various reappropriations and reversions for phases of continuing projects as needed to complete critical projects supporting CalFire’s mission.

State Lands Commission

- Includes \$31,000 (\$9,000 General Fund and \$22,000 Oil Spill Prevention and Administration Fund (OSPAF)) in fiscal year 2026-27, \$63,000 (\$18,000 General Fund and \$45,000 OSPAF) in 2027-28, \$96,000 (\$28,000 General Fund and \$68,000 OSPAF) in 2028-29, \$129,000 (\$37,000 General Fund and \$92,000 OSPAF) in 2029-30, and \$237,000 (\$69,000 General Fund and \$168,000 OSPAF) in 2030-31 and ongoing to pay for the increasing difference in the projected new rent for its Long Beach Office over its existing rent after lease renewal.
- Includes \$102,000 School Land Bank Fund in fiscal year 2026-27 and ongoing to conduct the required safety inspections of abandoned mine features on school lands, use updated equipment to improve the safety of staff involved in these inspections, proactively perform mine closures that present a safety risk to the public, and proactively remediate features that require repair or have been breached therefore removing the safety risk to the public.
- Includes 6.0 positions and \$2,085,000 from the Oil Spill Prevention and Administration Fund in fiscal year 2026-27 and \$2,040,000 ongoing to support the six new Senior Engineers, Petroleum Structures (Specialist) positions in the Marine Environmental Protection Division to meet the growing demands of the Marine Oil Terminal industry and regulatory mandates.

Department of Fish and Wildlife

- Includes 22 positions (permanent position authority only) to further assess, mitigate and remediate cannabis impacted lands owned by the department, California Native American Tribes, and local jurisdictions, in addition to increasing enforcement support in Northern California. The positions will be funded by the CDFW's existing authority provided through the continuous appropriation from the Cannabis Tax Fund – Department of Fish and Wildlife, Environmental Restoration and Protection Account - Allocation 3.
- Includes 1.0 permanent position, funding for existing staff and temporary help, \$8.2 million General Fund in fiscal year 2026-27, and \$8 million General Fund in 2027-28 and

ongoing, to support the continued and expanded operations of the Nutria Eradication Program which addresses the spread of the invasive nutria species.

- Includes 3 permanent positions, resources for existing staff, \$5 million General Fund in fiscal year 2026-27 and \$5.4 million in 2027-28 and ongoing to provide necessary resources for the operation of the newly constructed San Joaquin Research and Conservation Hatchery Facility, and to continue the San Joaquin River Restoration Program, and the Merced River Hatchery.
- Includes 21.5 positions (permanent position authority only) in fiscal year 2026-27 and ongoing, to replace temporary positions used to complete work historically funded by long-term reimbursement agreements at the Department.
- Includes 5 permanent positions, \$1.4 million General Fund in fiscal year 2026-27 and \$1.3 million in 2027-28 through 2031-32 to implement requirements imposed by Chapter 639, Statutes of 2025 (Assembly Bill 1319, related to endangered species) through the bill's sunset date.
- Includes the transfer of 7.0 permanent accounting positions from the California Department of Fish and Wildlife to the Wildlife Conservation Board.
- Includes \$1.6 million Fish and Game Preservation Fund-Non-Dedicated in fiscal year 2026-27, \$1.8 million in 2027-28, \$1.9 million in 2028-29, \$2.1 million in 2029-30, and \$2.3 million in 2030-31 and ongoing for the increased cost of the agreement between the Department's Data and Technology Division and Aspira. Aspira provides the necessary maintenance, development, and support to keep the Automated License Data System (ALDS) operational.
- Includes a one-time increase of \$3.28 million from the Oil Spill Prevention and Administration Fund in fiscal year 2026-27 to replace fleet assets used for oil spill response and support. The Office of Spill Prevention and Response (OSPR) has identified an immediate need for additional resources to close an operational gap to ensure adequate and reliable fleet resources necessary for response activities.
- Includes \$3.5 million Special Funds (including \$2 million Fish and Game Preservation Fund- Non-Dedicated) in fiscal year 2026-27 and ongoing to fund various existing positions. This request will provide ongoing funding for the 20 positions the Department received in the 2022 Budget for statewide administrative support in the Drought Resilience and Response Package and funded by the various one-time General Fund investments.
- Includes various adjustments to the Fish and Game Preservation Fund's (FGPF) dedicated accounts.
- Includes 2.0 permanent positions, \$488,000 in fiscal year 2026-27 and \$472,000 in 2027-28 and ongoing from the Oil Spill Prevention and Administration Fund to address the workload associated with evaluating the adequacy of the Certificate of Financial

Responsibility requirements and conducting Reasonable Worst-Case Spill calculations on a regular basis.

- Includes \$1.02 million one-time Fish and Game Preservation Fund to allow the Department to use existing Environmental License Plate Fund to fund temporary resources to support the Coexisting with Wildlife Initiative that will allow for proactive mitigation of human-wildlife conflict and foster safe coexistence with native wildlife in California.
- Includes \$7,450,000 one-time redistribution of Proposition 1 funds in 2026-27 to support projects related to watershed and ecosystem restoration, water quality, and fish protection facilities.

Wildlife Conservation Board

- Includes the transfer of 7.0 permanent accounting positions from the California Department of Fish and Wildlife to WCB.

Coastal Commission

- Includes \$183,000 one-time in 2026-27 from the California Beach & Coastal Enhancement Account to support a temporary position in the Public Education program.

State Coastal Conservancy

- Includes \$7 million one-time in 2026-27 from the State Coastal Conservancy Fund and \$7 million in reimbursement authority one-time. This funding will provide additional resources for coastal resource enhancement and public access projects, while reimbursement authority will allow SCC to encumber a grant from the National Fish and Wildlife Foundation for the South Bay Salt Pond Restoration Project. Funds are requested to be available for encumbrance or expenditure through June 30, 2028, given the multi-year nature of projects.

Department of Parks and Recreation

- Includes \$6.75 million one-time General Fund for the State Parks Library Pass Program; rejects ongoing funding.
- Includes one-time funding of \$29 million in 2026-27 from the Off-Highway Vehicle Trust Fund for local assistance grants.
- Includes \$450,000 in reimbursement authority in fiscal year 2026-27 to the State Parks and Recreation Fund for the preliminary plans phase of the Angel Island State Park (SP): Low-Cost Accommodations project.
- Includes \$842,000 General Fund in 2026-27, \$805,000 General Fund in 2027-28 and ongoing, and three permanent positions, to support the California Indian Heritage Center.

- Includes \$600,000 in fiscal year 2026-27 from the State Parks Contingent Fund for the preliminary plans phase of the Emma Woods State Beach (SB): Low-Cost Accommodations project.
- Includes \$133,000 in fiscal year 2026-27 from the Off-Highway Vehicle Trust Fund for the working drawings phase of the Hollister Hills State Vehicular Recreation Area Entrance Kiosk project in San Benito County.
- Includes \$1,000,000 in fiscal year 2026-27 from the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act of 2018 (Proposition 68) for the construction phase of the Pfeiffer Big Sur State Park (SP): Low-Cost Alternative Coastal Lodging project in Monterey County.
- Includes \$750,000 in reimbursement authority to the State Parks and Recreation Fund for the working drawings phase of the Silver Strand State Beach (SB): Low-Cost Accommodations project.
- Includes \$5,000,000 in fiscal year 2026-27 from the Off-Highway Vehicle Trust Fund for the acquisition of opportunity purchases. This project will provide for the purchase of real property benefitting and supported by the Off-Highway Motor Vehicle Recreation Division throughout the state.
- Includes requests transfer of \$2,100,000 in fiscal year 2026-27 from the General Fund to the Natural Resources and Parks Preservation Fund for the construction phase of the California Indian Heritage Center project in Yolo County.
- Includes a supplemental appropriation of \$1,000,000 in fiscal year 2026-27 from the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act of 2018 (Proposition 68) for the construction phase of the Fort Ord Dunes State Park (SP): New Campground and Beach Access project in Monterey County.
- Includes \$2 million General Fund ongoing beginning in 2026-27 for the cost of representation from the Attorney General's Office in various lawsuits filed against the Department.
- Includes \$3,591,000 General Fund in fiscal year 2026-27 to support operations at the new Fort Ord Dunes State Park campground. In 2027-28, the Department requests \$3,264,000 (\$1,958,000 General Fund and \$1,306,000 State Parks and Recreation Fund or SPRF) and beginning in 2028-29, the Department requests \$1,047,000 General Fund and \$2,217,000 from SPRF. This request includes resources to support 14 permanent positions, 13 temporary help positions, vehicles, and equipment.
- Includes one-time funding from the California Tire Recycling Fund via reimbursement authority to support sediment and debris, including waste tires, management activities at the Tijuana Estuary and Border Field State Park.

- Includes a supplemental appropriation of \$225,000 Off-Highway Vehicle Trust Fund for the working drawings phase of the Oceano Dunes State Vehicular Recreation Area: Le Sage Bridge Replacement project in San Luis Obispo County. This project will rehabilitate the Le Sage Bridge to provide critical structural improvements and enhanced design features for combined vehicle and pedestrian use.
- Includes \$400,000 in fiscal year 2026-27 from the Off-Highway Vehicle Trust Fund for the construction phase of the Pismo State Beach (SB): Entrance Kiosk Replacement project.
- Includes \$7,800,000 in reimbursements to the State Parks and Recreation Fund for the construction phase of the Rio de Los Angeles State Park (SP): Public Use Facilities at Bowtie project. The project will include necessary infrastructure, site improvements, and day-use amenities. Upon completion, the project will provide public access, passive recreation opportunities, and habitat restoration.
- Includes one-time funding of \$3 million from the State Park Protection Fund in fiscal year 2026-27 and one-time funding of \$7.5 million from the State Parks Recreation Fund (SPRF) in 2026-27, to increase State Park Peace Officer Cadet Academy throughput.
- Includes various reappropriations and extensions of liquidation of existing capital outlay appropriations and to allow completion of current projects without delay, as well as reversion of savings from completed projects.
- Includes \$19,209,000 General Fund in fiscal year 2026-27, \$3,503,000 General Fund in 2027-28, \$3,816,000 General Fund in 2028-29, and \$3,833,000 in 2029-30 and ongoing for the operation of Will Rogers State Beach (SB) and Dockweiler State Beach (SB). Additionally, the Department requests \$5,172,000 State Parks and Recreation Fund (SPRF) in 2026-27 and \$8,620,000 SPRF in 2027-28 and ongoing as well as 31.0 positions phased in over three years for the same purpose.

Delta Protection Commission

- Includes \$320,000 ongoing and 1.0 permanent position to expend an increase in federal grant funding from the U.S. National Park Service and implement the Sacramento-San Joaquin Delta National Heritage Area Management Plan.

Sierra Nevada Conservancy

- Includes \$214,000 Environmental License Plate Fund ongoing, and 1.0 permanent full-time Accountant I (Specialist) and 1.0 permanent full-time Accounting Officer (Specialist) to realign accounting resources.
- Includes \$1.1 million one-time increase to match the projected cost of work associated with the Sierra Nevada Conservancy's three federal grant agreements in 2026-27.

Department of Water Resources

- Includes \$14 million General Fund to support the compensatory mitigation needs of the Delta Levees Program, which includes the Delta Levees Special Flood Control Projects and Delta Levee Maintenance Subventions Programs in the Sacramento-San Joaquin Delta.
- Includes \$1.4 million in ongoing funding from the Dam Safety Fund to address new and increased operating expenses and equipment costs associated with the Department of Water Resources' Division of Safety of Dams' Dam Safety Program.
- Includes \$9.5 million General Fund ongoing and 15 permanent positions to mitigate the critical impacts of federal reductions in staffing and capabilities and ensure that DWR can continue to provide 24-hour flood emergency response, issue river forecasts, and collect snow course measurements that are critical for water supply forecasting.
- Includes \$5.8 million General Fund in fiscal year 2026–27 and annually for the first five years, and \$2.4 million General Fund in 2031-32 and ongoing to fulfill the requirements of Chapter 210, Statutes of 2025 (SB 72). SB 72 requires DWR to develop an actionable plan by 2033 that identifies watershed-scale actions necessary to achieve long-term water supply targets by 2040.
- Includes \$25 million one-time General Fund to support necessary monitoring, habitat restoration projects, water purchases, and administration towards implementation of Includes the Healthy Rivers and Landscapes Program for the first year of implementation to comply with an updated Bay-Delta Water Quality Control Plan; includes budget bill language making encumbrance of the \$25 million contingent upon the State Water Resources Control Board's adoption of the Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta Estuary (also known as the Bay-Delta Water Quality Control Plan or Bay-Delta Plan).
- Modifies a Governor's Budget request in response to newly available mitigation credits for purchase. The Department of Water Resources' (DWR) Division of Multibenefit Initiatives (DMI) requests \$7.9 million General Fund to support the compensatory mitigation needs of the Delta Levees Program.
- Includes \$8.6 million General Fund over five years and ongoing \$1.7 million annually to secure a leased facility for the Northern Region Office (NRO) facilities located in Red Bluff, California. This request includes \$2.2 million in 2026-27, \$1.5 million in 2027-28, \$1.6 million in 2028-29, \$1.6 million in 2029-30, \$1.7 million in 2030-31 and \$1.7 million ongoing for future fiscal year.
- Includes \$31,460,000 from Proposition 50 (Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002) and \$4,373,000 from Proposition 13 (Safe Drinking Water, Clean Water, Watershed Protection, and Flood Protection Act) to fund the state's share of costs for implementing the South Delta Gates (SDG), formerly South Delta Permanent Operable Gates, project. The project will be partially funded through the

reversion of \$11.3 million Proposition 50. This augmentation also includes \$110,000,000 in Federal Trust Fund Authority.

- Includes the reversion of \$16.8 million Proposition 68, Section 80111(a), and a new appropriation of \$16.2 million capital outlay to DWR and \$600,000 to the California Natural Resources Agency (CNRA) for an agreement with the Salton Sea Authority (SSA) for the North Lake Pilot Demonstration Project.

Delta Stewardship Council

- Includes \$539,000 General Fund ongoing and 3.0 permanent positions to support the Council’s Delta Science Program and the Delta Independent Science Board (Delta ISB) in performing independent scientific review, advice, and monitoring for the implementation of the State Water Resources Control Board’s Bay-Delta Water Quality Control Plan.
- Includes \$185,000 ongoing and 1.0 permanent position from the General Fund to serve as the Council’s Information Security Officer and address critical information technology gaps including security and privacy, assist with security monitoring and enhancement, and ensure alignment with mandated IT security regulations and policies.

Various

- Includes various resources from the General Fund and special funds to implement statutory requirements associated with legislation chaptered in 2025 as follows:

2026-27 Natural Resources Agency Chaptered Legislation Proposals								
Dollars in Thousands								
BU	Department	Issue Title (Chapter/Bill)	Fund Source	26-27	27-28	28-29	29-30	Total Ongoing Positions
0540	Secretary of the Natural Resources Agency	Pathways to 30x30 Stewardship Reporting (AB 900)	0001	\$1,213	\$963	\$0	\$0	0.0
3600	Department of Fish and Wildlife	Oil Production: Safety, Reliability, and Affordability (SB 237)	0320	\$125	\$0	\$0	\$0	0.0
3720	California Coastal Commission	Categorical Exclusions for Affordable Housing (SB 484)	0001	\$220	\$220	\$0	\$0	0.0
3720	California Coastal Commission	Accessory Dwelling Unit Permitting in the Coastal Zone (AB 462)	0001	\$217	\$217	\$217	\$217	1.0

3790	Department of Parks and Recreation	Off-Highway Electric Motorcycles (SB 586)	0263	\$200	\$0	\$0	\$0	0.0
------	------------------------------------	---	------	-------	-----	-----	-----	-----

- Includes a redistribution of \$76.7 million that was set aside for statewide bond costs for Proposition 1 (2014) (Prop 1). Funding is proposed for redistribution to departments identified in Prop 1 to support additional projects consistent with Prop 1 provisions.
- Includes \$719,000 Timber Regulation and Forest Restoration Fund (TRFRF) and \$1.8 million in reimbursement authority in 2026-27 and \$710,000 TRFRF and \$1.6 million in reimbursement authority in 2027-28 to support the expedited review and implementation of vegetation management throughout California’s forested ecosystems to reduce fire risk and build the state’s resilience to wildfires. Funding would be spread across the CA Natural Resources Agency, Department of Conservation, Department of Fish and Wildlife, the Coastal Commission, and the State Water Resources Control Board.
- Includes additional technical changes such as various bond appropriations, reappropriations, and reversions; technical adjustments and baseline adjustments to continue implementation of previously authorized programs across the agency.
- Approves all adjustments proposed in the April finance letters across the Boards, Departments, and Offices within the Natural Resources Agency.

ENVIRONMENTAL PROTECTION

Secretary of the Environmental Protection Agency

- Includes \$6,815,000 in spending authority from the Unified Program Account in 2026-27 to implement a technology refresh project on the California Environmental Reporting System (CERS) known as CERS NextGen.
- Includes 14.0 permanent positions and reimbursement authority in the amount of \$2,595,000 from the Motor Vehicle Account in 2026-27 and ongoing to consolidate administrative activities to support an efficient and effective government and comply with Public Resources Code Sections 71121 through 71126.
- Includes \$2,827,000 and 4.0 permanent positions to enhance Information Technology (IT) service delivery and strengthen our operational capabilities; within this total proposal, \$2,502,000 is reimbursement authority for 3.0 positions supporting audio-visual communication services and IT project oversight services, and \$325,000 is from distributed administration of various funds for an additional 1.0 position needed for managing operations.
- Includes \$720,000 ongoing resources from the Rural CUPA Reimbursement Account established in the General Fund to implement Assembly Bill 993 (Chapter 176, Statutes of 2025).
- Includes \$941,000 in new funding authority (\$870,000 ongoing and \$125,000 one-time funding) from various funds and 2.0 permanent positions to drive the agency's technology innovation strategy, governance, and practical adoption in alignment with California Department of Technology's Envision 2026 statewide IT strategic plan and to improve the administration of public meetings in accordance with the Bagley-Keene Open Meeting Act.

California Air Resources Board

- Defers appropriating the majority of Greenhouse Gas Reduction Fund (GGRF) including discretionary funding and state operations.
- Appropriates all proposed GGRF funding for CalFire, the Conservation Corps, CalOES.
- Adopts placeholder trailer bill language to establish a Sustainable Aviation Fuel Tax Credit through 2035 from the diesel excise tax.
- Rejects statutory language to change the implementing agency of SB 59 (Skinner, 2024) from the Energy Commission to the California Air Resources Board and associated funding of \$1.1 million in limited-term funding in 2026-27 and 2027-28 from the Air Pollution Control Fund (APCF).

- Adopts placeholder language for statutory changes to SB 840 (Limon, 2025) related to the Greenhouse Gas Reduction Fund.
- Approves statutory language to exempt any contract with the Western Climate Initiative, Incorporated entered into in furtherance of the provisions in Sections 12894 and 12894.5 of the Health and Safety Code from requirements of the Public Contract Code since it is considered a membership agreement.
- Includes \$2.2 million from the Air Pollution Control Fund (APCF) for one-time contracting to help address the high cancer risk from the air toxics acrolein and ethylene oxide by improving scientific understanding of the sources of these toxics to enable risk reduction strategies and communicating the risk to the public.
- Provides \$477,000 in 2026-27 and \$477,000 in 2027-28 Oil, Gas, and Geothermal Administrative (OGGA) Fund to implement the Gravity-Based Energy Storage Well Pilot Program pursuant to Chapter 419, Statutes of 2025 (SB 567).
- Appropriates \$5 million one-time in 2026-27 and 2027-28 from the Air Pollution Control Fund for litigation and legal costs to safeguard California's air quality laws and programs that advance the state's climate, air quality, and public health environmental priorities.
- Provides a one-time, \$14,433,000 increase in reimbursement authority from the Air Pollution Control Fund in 2026-27 to continue to provide oversight of programs and projects funded out of the Volkswagen Environmental Mitigation Trust through 2033-34.
- Fund shifts \$2,193,000 in 2026-27 and \$2,262,000 ongoing from the General Fund to the Air Quality Improvement Fund to shift state operations resources for mobile source, stationary source, and climate change programs to special funds to help address the General Fund deficit.
- Fund shifts \$2.85 million ongoing from the Certification and Compliance Fund to the Air Pollution Control Fund for the In-Use Locomotive Regulation approved in 2023.
- Fund shifts \$4.3 million annually from the Certification and Compliance Fund to various other special funds for the Southern California Headquarters Building Management Operations and Maintenance Contract approved in 2024.
- Extends the encumbrance period of the following appropriations to June 30, 2028:
 - Up to \$21,716,000 General Fund in the 2021 Budget Act for the Zero-Emission Drayage Truck and Infrastructure Pilot Project.
 - Up to \$550,000 Motor Vehicle Account, State Transportation Fund in the 2019 Budget Act for Emission Testing and Test Method Development for Commercial Harbor Craft and Ocean-Going Vessels.
 - Up to \$104,000 Motor Vehicle Account, State Transportation Fund in the 2023 Budget Act for contracts related to the Commercial Harbor Craft regulation.

- Reappropriations the following appropriations:
 - Up to \$1,000,000 General Fund in the 2023 Budget Act for administrative costs related to the F-Gas Reduction Incentive Program (FRIP).
 - Up to \$9,907,000 General Fund in the 2021 Budget Act for administrative costs related to various programs in Item 3900-101-0001.
 - Up to \$11,518,000 Air Pollution Control Fund in the 2021 Budget Act for administrative costs related to the Carl Moyer Air Quality Standards Attainment Program.
- Adopts other technical adjustments.
- Appropriates Hino Motors settlement funds of \$72.4 million in 2026-27 and \$11.6 million in 2027-28 and 2028-29 for one-time implementation costs related to certification, testing, enforcement, and other air pollution efforts and for reimbursement of costs CARB spent to enforce the underlying violations.
- Reappropriates and extends encumbrance dates for various staff resources, \$15.7 million for the Advanced Technology and Demonstration Pilot Program (for various cleaner air and marine projects), \$639,582 for the Clean Off-Road Equipment Voucher Incentive Project, and \$6.2 million for the Mobile Community Air Monitoring Program.
- Authorizes \$995,000 in 2026-27 and ongoing from various special funds and 6.0 permanent positions to support baseline operational needs of the Personnel Transactions Section, the Workplace Investigations Unit, and the Vulnerability Management Program.
- Approves \$1,699,000 Air Pollution Control Fund (APCF) and 10.0 positions in 2026-27 and ongoing to implement the state and local government requirements of the Advanced Clean Fleets (ACF) regulation.

Department of Pesticide Regulation

- Includes two (2) permanent positions and \$809,000 DPR Fund ongoing for the operations, maintenance, and continued outreach for SprayDays California, a first-of-its-kind, public-facing pesticide application notification system.
- Includes \$394,000 (DPR Fund) ongoing and 1.0 Research Scientist III (RS III) position and 1.0 Environmental Scientist position to lead and expand department work for modeling, data tracking, analysis, mitigation, and regulatory development related to fumigants, including 1,3-dichloropropene (1,3-D), and support continuous evaluation for other high-use fumigants.

State Water Resources Control Board

- Includes \$1 million one-time General Fund to support tribes and nongovernmental organizations in conducting 6PPD-quinone (6PPD-q) sampling in the North Coast (Region 1), the Central Coast (Region 3), and the Central Valley (Region 5).

- Includes \$6 million ongoing from the Site Cleanup Subaccount to reimburse costs associated with the investigation, mitigation, and remediation of surface or groundwater contamination at sites where there are no financially viable responsible parties.
- Includes \$2.6 million in fiscal year 2026-27 and ongoing, and 12.0 permanent positions from the Waste Discharge Permit Fund to conduct essential water quality permitting and enforcement work due to the 2023 U.S. Supreme Court decision in Sackett v. Environmental Protection Agency that reduces federal jurisdiction over several waterbodies.
- Includes \$1 million Waste Discharge Permit Fund ongoing and 4.0 permanent positions to establish a Border Water Quality Protection Unit at the San Diego Regional Water Quality Control Board to address cross-border pollution from Mexico and support the protection of human health, water quality, and beneficial uses associated with the Tijuana River and Estuary, and near-shore Pacific Ocean.
- Includes \$500,000 in fiscal year 2026-27 from the Safe Drinking Water Account for one-time contract funding to upgrade existing information systems to streamline the collection, compilation, and posting of data on lead sampling in elementary schools and childcare facilities to the State Water Board's website as required by Chapter 290, Statutes of 2025 (AB 1096).
- Includes \$1 million one-time in contract funding in fiscal year 2026-27 to assist in completing the project approval process for a secure, modern database to safeguard existing data, maintain uninterrupted accreditation services, and protect the integrity of California's Environmental Laboratory Accreditation Program (ELAP) regulatory infrastructure.
- Includes \$3.5 million in expenditure authority for fiscal year 2026-27 and ongoing from the Safe Drinking Water State Revolving Fund Administration Fund to support the personnel costs of the Drinking Water State Revolving Fund (DWSRF) program.
- Includes \$785,000 Safe Drinking Water Account ongoing and 3.0 permanent positions to oversee and regulate water recycling projects in San Diego County following the county's termination of its oversight delegation agreement.
- Includes \$1.0 million in fiscal year 2026-27 and ongoing, and 4.0 permanent positions from the Waste Discharge Permit Fund and the Safe Drinking Water Account to permit and oversee the new types of water recycling uses authorized by Chapter 736, Statutes of 2025 (SB 31); also includes \$500,000 annually between 2026-27 and 2028-29 from the Waste Discharge Permit Fund to fund 2.0 limited-term positions for developing necessary updates to water recycling regulations.
- Includes \$952,000 ongoing and 4.0 permanent positions from the Safe Drinking Water Account to regulate small water systems (SWS) in Contra Costa County and Kings County.

- Includes \$8.9 million in 2026-27, \$503,000 in 2027-28, \$553,000 in 2028-29, \$606,000 in 2029-30, and \$661,000 in 2030-31 and ongoing from the General Fund and various special funds to relocate and consolidate the Central Valley Regional Water Quality Control Board's (Regional Board) Fresno office and the Water Board's Division of Drinking Water's Fresno district office.
- Includes an increase in appropriations from the Oil, Gas, and Geothermal Administrative (OGGA) Fund of \$1,795,000 in fiscal year 2026-27 and \$1,795,000 in 2027-28 to implement the Gravity-Based Energy Storage Well Pilot Program pursuant to Chapter 419, Statutes of 2025 (SB 567) for the Department of Conservation, the Air Resources Board, the State Water Resources Control Board and Regional Water Quality Control Boards.

Department of Toxic Substances Control

- Includes \$3.1 million (\$582,000 from the Toxic Substances Control Account (TSCA), \$1.8 million from the PFAS Enforcement Fund (PEF), and \$728,000 from the T.A.M.P.O.N Act Fund (TAF)) and 9.0 permanent positions in 2026-27 and \$2.5 million (\$458,000 TSCA, \$1.4 million PEF, and \$573,000 TAF) in 2027-28 and ongoing in order for the Safer Consumer Products Program to comply with mandates established by Chapter 932, Statutes of 2024 (AB 347), Chapter 1008, Statutes of 2024 (AB 2515), and Chapter 790, Statutes of 2024 (SB 1266); also includes loans in the amount of \$1.8 million from TSCA to PEF and \$728,000 from TSCA to TAF in 2026-27, \$1.4 million from TSCA to PEF and \$573,000 from TSCA to TAF in 2027-28 for the initial implementation of the new PEF and TAF funds identified in AB 347 and AB 2515 until the registration fees and penalties generate sufficient revenues to sustain the funds and repay the loans.
- Includes \$70 million (\$20 million Lead-Acid Battery Cleanup Fund (LABCF) and \$50 million to be loaned from General Fund to the Toxic Substances Control Account (TSCA)) in 2026-27 and \$70 million (\$20 million LABCF and \$50 million to be loaned from General Fund to the TSCA) in 2027-28 to clean up an additional estimated 1,000 residential properties surrounding the former Exide Technologies facility in Vernon, California, with a representative lead concentration level above 80 parts per million.
- Includes 6.0 permanent positions and \$1.1 million (\$990,000 Toxic Substances Control Account (TSCA) and \$110,000 from the Lead Acid Battery Cleanup Fund (LABCF)) in 2026-27 and 2027-28, and \$959,000 (\$863,000 TSCA and \$96,000 LABCF) in 2028-29 and ongoing to perform cost recovery enforcement work and to do Potentially Responsible Party and real property title searches to locate entities responsible for historical hazardous substance releases throughout California.
- Includes 8.0 permanent positions and \$1.9 million Hazardous Waste Control Account (HWCA) in 2026-27 and 13.0 permanent positions and \$2.8 million HWCA in 2027-28 and ongoing to restructure the Office of Policy as the Statewide Planning Division within the Hazardous Waste Management Program.

- Includes \$2.0 million (\$1.0 million Hazardous Waste Control Account (HWCA) and \$1.0 million Toxic Substances Control Account (TSCA)) in 2026-27 and ongoing to replace obsolete or broken instruments and related equipment used for sample preparation and chemical analysis.
- Includes \$3.5 million Lead-Acid Battery Cleanup Fund (LABCF) in 2026-27 and \$2.5 million LABCF in 2027-28 to conduct investigations of approximately 330 residential properties and other sensitive properties (residential properties, schools, daycare centers, and recreational properties) within the Berg Metals Reasonable Certainty Designation (RCD) Area in Los Angeles. Includes \$1.1 million and 4.0 permanent positions from the Lead-Acid Battery Cleanup Fund (LABCF) in 2026-27 and ongoing to continue supporting activities to oversee and implement the ongoing corrective action or Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) cleanup work associated with the February 2002 Corrective Action Consent Order (CACO), subsequent Interim Measures Orders and Imminent and Substantial Endangerment (IS&E) Determination Order (collectively referred to herein as "Orders") against Exide Technologies, LLC (Exide).
- Includes a transfer of \$40.2 million from the Toxic Substances Control Account (TSCA) to the Site Remediation Account and \$40.2 million expenditure authority from the Site Remediation Account in 2026-27 to fund the state's National Priorities List obligations and state orphan sites with Priorities 1A, 1B, 2, and 3, and statewide service contracts.
- Includes an increase in expenditure authority from the Hazardous Waste Control Account Fund (HWCA) of \$450,000 in 2026-2027, \$500,000 in 2027-2028, \$550,000 in 2028-2029, \$600,000 in 2029-2030, and \$166,000 in 2029-2030 and ongoing to fund travel to conduct field oversight of groundwater remedy construction and ensure proper protection of cultural and ecological resources during all site activities; host/attend quarterly Consultative Workgroup meetings with Support Agencies, Tribal Nations, and stakeholders as required as the Administering Agency under Chapter 345, Statutes of 2022 (AB 2061) - PG&E Topock Compressor Station Travel.
- Includes 1.0 permanent position and \$216,000 Covered Battery Recycling Fund in 2026-27 and ongoing for administration of the Responsible Battery Recycling Act of 2022 (Chapter 351, Statutes of 2022 (AB 2440), including overseeing stewardship program plan submissions to DTSC and ensuring compliance with Hazardous Waste Control Law; additionally includes a one-time loan from the Toxic Substances Control Account of \$216,000 in 2026-27 for the initial implementation and administration costs of AB 2440.
- Includes an ongoing reduction of \$1.9 million and 4.9 positions to align the department's resources for oversight of metal shredding facilities to operational needs, consistent with Assembly Bill (AB) 2851 of 2024. This includes a net-zero ongoing technical shift of \$2.2 million and 5.0 positions from the Hazardous Waste Control Account to the newly established Metal Shredder Facilities Account (MSFA).
- Includes \$1.1 million and 4.0 permanent positions from the Lead-Acid Battery Cleanup Fund (LABCF) in 2026-27 and ongoing to continue supporting activities to oversee and

implement the ongoing corrective action or Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) cleanup work associated with the February 2002 Corrective Action Consent Order (CACO), subsequent Interim Measures Orders and Imminent and Substantial Endangerment (IS&E) Determination Order (collectively referred to herein as “Orders”) against Exide Technologies, LLC (Exide).

- Includes a fund shift of \$4.3 million ongoing to shift resources for emergency response activities from the General Fund to the Toxic Substance Control Account.

CalRecycle

- Increases the maximum payment rate per ton from \$150 to \$250 for the Plastic Market Development Payment Program until July 1, 2029, and appropriates \$90 million from the Beverage Container Recycling Fund (BCRF) over three years: \$35 million in 2026-27, \$30 million in 2027-28, and \$25 million in 2028-29; also includes \$5 million annually from the BCRF in 2026-27 through 2028-29 for a plastic reclaimers and manufacturers grant program to support investments in recycling infrastructure.
- Includes 2.0 permanent positions and \$327,000 Integrated Waste Management Account in 2026-27 and ongoing to perform lead duties associated with the implementation of Chapter 651, Statutes of 2025 (AB 279) and regulatory development of the Compostable Material Handling Facilities & Operations and technical assistance for Local Enforcement Agencies.
- Includes 7.0 permanent positions and \$1,002,000 from the California Beverage Container Recycling Fund in Fiscal Year 2026-27 and ongoing, to perform compliance and enforcement tasks associated with the Beverage Container Recycling and Litter Reduction Program new dealer requirements and dealer cooperatives authorized under Chapter 610, Statutes of 2023 (SB 1013).
- Includes 1.0 permanent position and \$188,000 in 2026-07 and ongoing from the Integrated Waste Management Fund to implement Chapter 719, Statutes of 2025 (AB 1046), requiring CalRecycle to complete the full Administrative Procedure Act process for regulations on statewide mandatory organic waste collection, pursuant to Chapter 395, Statutes 2016 (SB 1383).
- Includes one-time resources of \$500,000 (\$200,000 Integrated Waste Management Account and a \$300,000 loan from the California Beverage Container Recycling Fund to the California Circular Economy Fund) to fund a statewide large volume transfer processor facility-based material characterization study (Study) as well as a contracted Reclaimer study to characterize the reclaimers’ entities that receive material from California large volume transfer processor.
- Includes one-time funding of \$1,000,000 (\$700,000 loan from the California Beverage Container Recycling Fund to the California Circular Economy Fund and \$300,000 from the Integrated Waste Management Account) in 2026-27 for a statewide disposal facility-based materials and waste characterization study.

- Includes \$282,000 and 2.0 positions ongoing and \$50 million one-time in 2026-27 from the Beverage Container Recycling Fund for allocations to support up to 40 rural local governments over five years to establish California Redemption Value redemption locations.
- Includes \$2,393,000 and 6.0 positions in 2026-27, and \$893,000 in 2027-28 and ongoing, from the California Tire Recycling Management fund (0226) to support waste tire compliance and statutory enforcement responsibilities.
- Includes one-time expenditure authority for \$3,329,000 from the Integrated Waste Management Account to fund the replacement of the landfill gas monitoring system at the BKK Sanitary Landfill to protect public health and safety and the environment.
- Includes \$100 million one-time from the Beverage Container Recycling Fund (BCRF) to support grants for the Beverage Container Quality Infrastructure Grant Program to improve California processors' capacity to sort California Redemption Value (CRV) materials and produce cleaner, higher-quality material streams.
- Includes \$2 million via reimbursement authority from the Tire Recycling Management Fund, administered by CalRecycle, to support sediment and debris, including waste tires, management activities at the Tijuana Estuary and Border Field State Park.
- Includes \$2,154,000 in 2026-27, and \$154,000 in 2027-28 in one-time funding from the California Tire Recycling Management Fund to be available for the California Environmental Protection Agency to support the waste tire cleanup efforts along the California-Mexico border region.
- Includes various reversions from the Beverage Container Recycling Fund for the Beverage Container Loan Program, the Workforce Development Program, the Beverage Container Quality Infrastructure Grant Program, and the Reusable Beverage Containers Infrastructure Grant Program.

Office of Environmental Health Hazard Assessment

- Includes \$300,000 for the Office of Environmental Health Hazard Assessment from the Air Pollution Control Fund (APCF) for one-time contracting to help address the high cancer risk from the air toxics acrolein and ethylene oxide by improving scientific understanding of the sources of these toxics to enable risk reduction strategies, and communicating the risk to the public.

Various

- Includes \$5,142,000 million and 12 permanent full time positions from various funds, which includes \$1.0 million for local assistance programs, and ongoing contract dollars in the amount of \$1.4 million to address Subsurface Elevated Temperature events at Class III Landfills to go to the California Environmental Protection Agency, the Department of

Resources Recycling and Recovery, Department of Toxic Substances Control, and the State Water Resources Control Board.

- Includes additional requests for various bond appropriations, reappropriations, and reversions; technical adjustments; reappropriations; and baseline adjustments to continue implementation of previously authorized programs.
- Approves all adjustments proposed in the April finance letters across the Boards, Departments, and Offices within the Environmental Protection Agency.

ENERGY

California Public Utilities Commission

- Adopts \$54,000 annually over three years from the Public Utilities Commission Transportation Reimbursement Account with reporting language to combat wildcatting.
- Adopts placeholder statutory changes related to the Emergency Load Reduction Program.
- Adopts \$539,243,000 for the Lifeline Program.
- Provides \$1,914,000 Public Utilities Commission Utilities Reimbursement Account and 8 positions ongoing to oversee the expedited review of 10-year undergrounding plan program requirements developed in response to Chapter 819, Statutes of 2022 (SB 884).
- Funds \$1,202,000 from the Public Utilities Commission Public Advocates Account and 5 positions in 2026-27 and ongoing for the Public Advocate's Office to implement Chapter 116, Statutes of 2025 (AB 825).
- Authorizes \$437,000 from the Public Utilities Commission Public Advocates Office Account and 2 positions ongoing for the Public Advocates Office to meet increased workload resulting from changes in risk assessment and General Rate Cases, updates to the Electric Undergrounding Program.
- Appropriates \$218,000 from the Public Utilities Commission Public Advocates Office Account and 1 position ongoing for the Public Advocates Office to meet increasing workload associated with data center growth and the impacts on the energy sector.
- Provides \$469,000 from Public Utilities Commission Utilities Reimbursement Account ongoing for annual maintenance and operations costs for the Renewables Portfolio Standard (RPS) Database and RPS Data Public Website, which are newly developed platforms used to intake and analyze RPS data from California RPS retail sellers and allow the public to access non-confidential RPS data.
- Funds \$870,000 from the Public Utilities Commission Utilities Reimbursement Fund Account and 2 positions ongoing to carry out timely and compliant California Energy Quality Act (CEQA) reviews of Broadband Last Mile infrastructure projects.
- Reappropriates \$68 million General Fund from the 2021 Budget Act to continue funding Broadband Last Mile infrastructure grants and extends the liquidation period of federal Capital Projects funds from December 31, 2026, to April 30, 2027, consistent U.S. Treasury guidance.
- Approves \$3 million one-time Public Utilities Commission Utilities Reimbursement Account in 2026-27 for an active legal services contract to provide advice and

representation on corporate and utility restructuring, finance, securitization, and bankruptcy matters.

- Adopts placeholder statutory language related to clean up of the Wildfire Fund found in SB 254 (Becker, Chapter 119, Statutes of 2025).
- Funds \$952,000 ongoing from the Public Utilities Commission Utilities Reimbursement Fund Account for 4.0 positions to implement Chapter 634, Statutes of 2025 (AB 1167).
- Rejects \$307,000 Distributed Administration authority from various special funds and 1.0 permanent position in 2026-27 and ongoing to create an executive-level position (CEA B – Deputy General Counsel (Advocacy)).
- Funds \$668,000 from the Public Utilities Commission Utilities Reimbursement Account (PUCURA) and 3.0 permanent positions in 2026-27 to meet the January 2027 legislative reporting requirement, consistent with Chapter 647, Statutes of 2025 (SB 57), and \$523,000 PUCURA in 2027-28 and ongoing to address increasing analytical, regulatory, and oversight workload associated with new large data center electrical loads.
- Appropriates \$1,925,000 Public Utilities Commission Utilities Reimbursement Account (PUCURA) and 8.0 permanent positions in 2026-27 and ongoing to implement Chapter 116, Statutes of 2025 (AB 825).
- Approves \$1,911,000 ongoing from the Public Utilities Commission Utilities Reimbursement Fund Account (PUCURA) for 8.0 positions in 2026-27 and ongoing to implement Chapter 119, Statutes of 2025 (SB 254).
- Provides \$436,000 Public Utilities Commission Utilities Reimbursement Account (PUCURA) and conversion of 2.0 limited-term positions to permanent in 2026-27 and ongoing to continue critical ongoing enforcement and compliance efforts for Commission jurisdictional water utilities.
- Adopts \$142,000 and 1.0 position from the Public Utilities Commission Utilities Reimbursement Account (PUCURA) to monitor and evaluate the advice letter legacy website.
- Rejects 3 positions and \$400,000 from various special funds (Distributed Administration) in 2026-27 and ongoing to provide adequate staffing support for the Commission President and executive staff. This converts three limited term positions to permanent. The positions are 2 executive assistants and 1 Supervisor 1.
- Reappropriates \$8 million General Fund in administrative funds for contracts, licenses, and consultants to continue implementing Broadband for All, consistent with Chapter 112, Statutes of 2021 (SB 156) until June 30, 2030.

- Approves \$186,000 Public Utilities Commission Utilities Reimbursement Account (PUCURA) and 1.0 permanent position in 2026-27 and ongoing to lead the development, maintenance, and administrative oversight of the California Distributed Generation Statistics (DGStats) Platform.
- Approves \$216,000 Public Utilities Commission Utilities Reimbursement Account (PUCURA) in 2026-27 and ongoing for the conversion of 1.0 limited-term Public Utilities Regulatory Analyst (PURA) V position to a permanent position to address an increase in electrical transmission permitting tied to Chapter 390, Statutes of 2023 (SB 319).
- Allows \$400,000 to the Public Utilities Commission Public Advocates Office Account and 2.0 positions to implement Chapter 119, Statutes of 2025 (SB 254). These positions are for ongoing audits, securitization, and wildfire safety.

California Energy Commission

- Appropriates \$2 million General Fund for a matching program for heat pumps installed by skilled contractors for low-income Californians.
- Increases the administrative overhead of the Electric Program Investment Charge (EPIC) Program to 15 percent with a net-zero shift of \$1,947,000 from its local assistance to state operations as approved by the CPUC in Decision 21.11.028.
- Adopts statutorily changes to set the salary of the Vice Chair of the Energy Commission at midway between the Chair of the Commission and the other Commissioners.
- Adopts \$1,103,000 from the Energy Resource Programs Account and 7 positions ongoing for accounting and human resources.
- Extends the liquidation period for Electric Program Investment Charge (EPIC) funds from the 2018 and 2019 Budget Acts until June 30, 2030, to reestablish a four-year liquidation period to close out research projects and makes other technical changes.
- Reappropriates Item 3360-008-0001, Budget Act of 2021 until June 30, 2030, to support staffing costs to adequately close out the projects funded through the Distributed Electricity Backup Assets program and makes other technical changes.
- Extends the encumbrance period until June 30, 2028, and the liquidation period until June 30, 2032 for various federal fund items from the 2016 and 2018 Budget Acts to allow CEC to receive and process federal American Reinvestment and Recovery Act loan repayments.
- Reappropriates the balances of the following appropriations:
 - 2021 Budget Act General Fund appropriation for state administration and staffing costs for the Clean Energy Program and the Emergency Planning Program and local assistance project funding for the Distributed Energy Backup Assets program.

- 2022 Budget Act General Fund appropriation for state administration and staffing costs for the Energy Modeling Support program.
 - 2023 Budget Act General Fund appropriation for state administration and staffing costs for the Building Energy Benchmarking and Federal Tax Credit Technical Assistance programs.
 - Various Budget Act local assistance appropriations for the EPIC program to reestablish a four-year liquidation period to close out research projects.
 - 2017 Budget Act Greenhouse Gas Reduction Fund (GGRF) appropriation for the Food Production Incentive Program (FPIP) to make new awards due to remaining unspent funds from previous projects that were completed under budget.
 - 2018 Budget Act GGRF state operations and local assistance appropriations for FPIP staffing costs and new FPIP awards due to project cancellations.
 - 2022 Budget Act GGRF state operations appropriations for Equitable Building Decarbonization (EBD), California Schools Healthy Air, Plumbing, and Efficiency Program, and the Industrial Decarbonization and Improvement of Grid Operations (INDIGO). Extended availability is necessary to continue to manage active projects and agreements, and close out the programs.
 - 2022 Budget Act GGRF local assistance appropriations for INDIGO and EBD to make new awards due to project cancellations.
 - 2023 Budget Act GGRF appropriations for state administration and staffing costs for EBD, as well as FPIP and Long Duration Energy Storage local assistance dollars to make new awards due to project cancellations.
- Adopts placeholder statutory changes related to the Distributed Electricity Backup Assets Program, Demand Side Grid Support Program, and the Emergency Load Reduction Program.
 - Approves \$1,697,000 ongoing for 7.0 positions and contract resources from the Energy Resources Program Account (ERPA) to implement Chapter 1, Statutes of 2024 (AB X2-1).
 - Provides \$173,000 ongoing from the Energy Resources Program Account (ERPA) to convert 1.0 temporary position to a permanent, full-time position to support analysis of data sets utilized for the implementation of Chapter 1, Statutes of 2024 (AB X2-1) for the Division of Petroleum Market Oversight (DPMO).
 - Funds \$176,000 from the Energy Resources Program Account (ERPA) in 2026-27 and ongoing and 1.0 position to address staffing needs to continue implementation of the state Renewables Portfolio Standard (RPS) program.
 - Approves \$660,000 in 2026-27 from the Energy Resources Programs Account to implement SB 237 (Grayson, 2025).
 - Allows \$342,000 in 2026-27 and 2027-28 from the Energy Resources Programs Account to implement AB 368 (Ward, 2025).

- Authorizes \$205,000 for 1 ongoing position from the Energy Resources Programs Account, and \$191,000 in 2026-27 and 2027-28 for a limited term position to implement SB 767 (Richardson, 2025).
- Adopts various technical encumbrance extensions, reappropriations, and converts 3.3 temporary positions into one permanent position.
- Approves \$2 million Energy Resources Programs Account (ERPA) annually for four years to support 4.0 positions and consultant support resources to implement the requirements of Chapter 119, Statutes of 2025 (SB 254) specific to the preparation of one or more program environmental impact report(s) (PEIR) for clean infrastructure projects to accelerate the review of clean and renewable energy projects.
- Adopts the following technical changes: Item 3360-492 be amended to reappropriate Item 3360-001-0001, Budget Act of 2022, to correct a drafting error. Item 3360-493 be added to extend the encumbrance period from June 30, 2026, to June 30, 2028, and the liquidation period from June 30, 2028, to June 30, 2032, for Item 3360-101-0890, Budget Act of 2016, and Item 3360-101-0890, Budget Act of 2018 to receive and process federal American Reinvestment and Recovery Act loan repayments.

Governor's Office of Business and Economic Development (Go-Biz)

- Defers permanent funding for 10 staff related to the transmission financing program in SB 254 (Becker, 2025) funded through the California Transmission Accelerator Revolving Fund (provided by utility cap and invest allowances). The funding amount equals \$10.3 million in 2026-27, \$4.1 million in 2027-28, \$4.2 million in 2028-29, \$3.5 million in 2029-30, and \$3.5 million in 2030-31 and ongoing.
- Defers \$322.6 million Proposition 4 funding for transmission financing and adopts placeholder statutory language.

Office of Energy Infrastructure Safety

- Authorizes 9 positions and \$2,549,000 (\$2,039,000 Public Utilities Commission Utilities Reimbursement Account (PUCURA) and \$510,000 Safe Energy Infrastructure and Excavation Fund (SEIEF)) ongoing to address information technology baseline gap resources. This request is necessary to address critical workload capacity and mission critical support gaps that are currently being supported by limited term resources that will expire in 2026-27.
- Provides 4 positions funded from existing related contracting funding ongoing, to increase the department's utility vegetation management inspection rate of wildfire mitigation plans completed by the investor-owned utilities.
- Allows 1 position and \$148,000 (\$118,000 Public Utilities Commission Utilities Reimbursement Account (PUCURA) and \$30,000 Safe Energy Infrastructure and Excavation Fund (SEIEF)) in 2026-27 and ongoing to coordinate internal accounting

functions with the contracted fiscal services provider, process travel expense claims and invoices, review month-end reconciliations, monthly travel reconciliations, and validate financial records.

- Provides \$1,393,000 (Safe Energy Infrastructure and Excavation Fund (SEIEF)) and 8.0 permanent positions in 2026-27 and ongoing to implement new Underground Safety Board-related ongoing requirements with the passage of Chapter 119, Statutes of 2025 (SB 254).

TRANSPORTATION

- Adopts control section language to prohibit state funds from funding fully automated cargo handling equipment at ports. Exempts Proposition 4 from this requirement.

California Transportation Commission

- Provides \$252,000 ongoing (\$118,000 State Highway Account, \$134,000 Public Transportation Account) to convert 1 limited-term position to a permanent position to support the continued development of the State and Local Transportation System Needs Assessment required under Chapter 508, Statutes of 2022 (SB 1121).

California State Transportation Agency

- Authorizes 3 permanent positions and \$860,000 in Fiscal Year 2026-27 and ongoing to establish an Enterprise IT Portfolio Management Office.
- Reappropriates \$300,000,000 General Fund for the LOSSAN Corridor, Item 0521-131-0001, Budget Act of 2021 (Chap. 44 of 2022).

CalTrans

- Approves statutory changes to shift \$50 million of federal funds for workforce development to \$30 million of state transportation funds.
- Funds \$15 million from the State Highway Account for the Trade Corridor Enhancement Program for trade corridors connecting to ports.
- Adopts \$225,000,000 one-time (\$6,939,000 in Personal Services and \$218,061,000 in Operating Expense) from the State Highway Account to continue replacing its aging fleet and installing Zero Emission Vehicle (ZEV) infrastructure to comply with state mandates and regulations.
- Adopts placeholder statutory changes to allow automated enforcement on the State Highway System portion of the Games Route Network in advance of the 2028 Olympic and Paralympic games that will be held in the Los Angeles region. This trailer bill authorizes a civil penalty of \$293, with a mechanism to issue a lesser fine to an individual with limited financial means. The proposal authorizes Caltrans to enter into an agreement with a local authority or regional transportation agency to administer the program and allocates fine revenue to pay for the state's costs associated with the administration of the automated enforcement program and the Games Route Network. The proposal requires that prior to the issuance of fines, there must be an extensive public awareness campaign of at least 120 days about the automated enforcement of the Games Route Network to prepare drivers in the region. The trailer bill provides an exemption to the Administrative Procedure Act, and clarifies that confidential information obtained by the automated enforcement is not subject to the Public Records Act or allowed to be used for

any other purpose. Funds collected will be used to reduce costs associated with the Games Route Network and are continuously appropriated.

- Appropriates \$40 million one-time General Fund for Clean California litter abatement.
- Approves \$6.2 million for two-year limited term General Fund annually for homeless encampment liaisons in 2026-27 and 2027-28.
- Appropriates \$27,502,000 one-time in operating expenses from the Public Transportation Account for the maintenance and overhaul of state's passenger rail equipment for three state supported intercity passenger rail routes (Pacific Surfliner, Capitol Corridor, and San Joaquin) administered by their respective Joint Powers Authorities.
- Rejects a one-time increase of \$16.4 million State Highway Account for Generative Artificial Intelligence (Gen AI) in the state highway system for Enhancing Vulnerable Road User (VRU) Safety and Gaining Traffic Mobility Insights (TMI).
- Amends Government Code Section 54237.7 to increase the fund cap of the State Route 710 Rehabilitation Account from \$1.2 million to \$15 million, for the purpose of providing repairs to more homes.
- Approves a one-year extension of current resource levels including \$19,091,000 State Highway Account (\$5,529,000 In Personal Services and \$13,562,000 in Operating Expense) for FY 2026-27 to support the continued transition and on-boarding to the Financial Information System for California (FI\$Cal) System. This includes 34 limited-term positions.
- Provides a permanent increase of 34 positions and \$7,600,000 (\$7,060,000 Personal Services and \$540,000 Operating Expenses) from the State Highway Account (SHA) to address a sustained rise in workload. This request would be considered a netzero request because the funding would be sourced from a transfer of local federal funding to Caltrans so the associated funding from the State Highway Account (SHA) would be exchanged to fund this additional support need, which would result in a net-zero impact on state transportation funding.
- Funds seven positions and \$1,213,000 from the State Highway Account in 2026-27 and ongoing to increase the number of investigations Independent Office of Audits and Investigations (IOAI)'s Investigations Unit can perform, and therefore strengthening its oversight of the California Department of Transportation (Caltrans).
- Adopts an increase in reimbursement authority of \$7,443,000 in FY 2026-27, \$5,685,000 in FY 2027-28, \$1,806,000 in FY 2028-29, and \$1,366,000 ongoing from the State Highway Account to fund maintenance operations that will be reimbursed by local agencies.
- Allows \$139,000 State Highway Account (\$130,000 in Personal Services and \$9,000 in Operating Expense) in Fiscal Year 2026-27 to implement the changes to the Outdoor

Advertising Act, Business and Professions Code as required by Chapter 313, Statutes of 2025 (SB 364, Strickland).

- Appropriates \$1,066,000 State Highway Account (\$1,031,000 in Personal Services and \$35,000 in Operating Expenses in Fiscal Year 2026-27 to implement the requirements of Chapter 743, Statutes of 2025 (SB 78, Seyarto) to evaluate efforts and opportunities to streamline the delivery of safety enhancement projects on the State Highway System.
- Adopts \$9,000,000 in FY 2026-27, \$10,000,000 in FY 2027-28, \$10,500,000 in FY 2028-29 from the State Highway Account for telecommunications utility costs essential to operating the State Highway System's Traffic Management Network.
- Funds \$ 7,150,000 State Highway Account for Fiscal Year (FY) 202627 and \$8,311,000 in ongoing funding beginning in FY 2027-28 to sustain and enhance cybersecurity protections for the Traffic Operations Support Network (TOSNet).
- Appropriates \$364,000 State Highway Account for two (2) permanent positions to create and maintain a prioritized statewide and regionally significant climate adaptation project list and to create an ongoing annual report of the list for the Legislature as required by SB 695 (2025).
- Adopts 8 positions and \$1,313,000 for fiscal years 2026-27 and 202728 to continue the administration of Caltrans' responsibilities to meet Proposition 1B requirements.
- Approves two-year limited-term resources in the amount of \$978,000 State Highway Account (\$933,000 in Personal Services and \$45,000 in Operating Expenses) to continue the road charge research program.
- Allows a two-year extension of \$2,709,000 in State Highway Account Reimbursement authority starting in Fiscal Year 2026-27 for services rendered on behalf of the California High Speed Rail Authority.
- Adopts the following technical changes:

Increases to Authority

- 2660-001-0046: Increase Public Transportation Account Reimbursement Authority by \$4,507,000 in 2026-27 for the Mass Transportation Program for Caltrans to complete work for California State Transportation Agency's (CalSTA) Transit Intercity Rail Capital Program.
- 2660-001-0890: Increase by \$4,714,000 in 2026-27 and \$3,042,000 in 2027-28 to allow Caltrans to fully utilize the administrative set-aside of the federal grant for Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation (PROTECT).
- 2660-302-0042: Increase State Highway Account Reimbursement Authority by \$361,000,000 in 2026-27 for Capital Outlay Projects. Caltrans routinely performs work on behalf of the Bay Area Tolling Authority (BATA). The increase in

reimbursement authority will better align Caltrans' current workload estimate for BATA.

- 2660-102-0042: Increase State Highway Account Reimbursement Authority by \$275,000,000 in 2026-27 for Local Assistance. The increase allows Caltrans to perform work on behalf of CalSTA on the Port and Freight Infrastructure Program.
- 2660-304-6056: Increase Proposition 1B Trade Corridors Improvement Fund (TCIF) Schedule 1 Authority by \$803,000 in 2026-27 for a Capital Outlay project. Based on a recent TCIF program update, the I-10 Corridor Express Lanes project in Los Angeles and San Bernardino Counties is entering close out and available Authority in Budget Year is needed to pay the balance of invoices.

Net Zero Program Transfers

- A net zero transfer between various programs within Item 2660-001-0042 to better align resources with planned workload.

Reappropriations

- Enterprise Data Governance Technology Solution—Reappropriate up to \$882,000 of Item 2660-001-0042, Schedule 12, and up to \$7,797,000 of Schedule 4, Budget Act of 2025 to continue project implementation.
- 2660-494: Reappropriate the following Proposition 1B bond Items as there are still active construction projects. The funds were already awarded to local agencies and/or 30 contractors that reappropriation is necessary to meet contractual obligations to avoid litigation or project stoppages.
- 2660-104-6056, Budget Act of 2010 (TCIF) 2660-304-6056.
- Budget Act of 2019 (TCIF) 2660-304-6058.
- Budget Act of 2010 (Transportation Facilities Account) 2660-104-6062.
- Budget Act of 2016 (Local Bridge Seismic Retrofit Account).

California Highway Patrol

- Allocates \$15.7 million Motor Vehicle Account (MVA) in 2025-26 and \$60.1 million MVA one time for operational costs and equipment.
- Funds \$1,282,000 General Fund for the incremental preliminary plans and full working drawing phases for the Sawtooth Ridge site of the CHP Enhanced Radio System (CHPERS): Replace Towers and Vaults project.
- Provides a one-time increase of \$3.1 million Motor Vehicle Account to upgrade wireless mobile video/audio recording system and body-worn camera to 5G.
- Funds \$9,132,000 General Fund for the construction phase for the Leviathan Peak site of the CHP Enhanced Radio System (CHPERS): Replace Towers and Vaults project.
- Provides \$1,000,000 General Fund to identify suitable parcels for replacing up to three additional area offices and to develop studies for those sites.

- Authorizes \$57.574 million in 2026-27, \$55.635 million in 2027-28, \$55.797 million in 2028-29, \$55.846 million in 2029-30, and \$53.812 million in 2030-31 and ongoing in reimbursement authority, to provide sufficient expenditure authority for contracts with various state agencies, local jurisdictions, and private entities.
- Provides \$13,709,000 and 10 temporary positions from the Federal Trust Fund in 2026-27 to continue the planning phase and transition into the execution phase of the California Crash Data System Modernization Program.
- Funds \$6.8 million one-time from the Motor Vehicle Account (MVA) to provide protection and security of the State Capitol, the State Capitol Swing Space, and the New Capitol Annex Building.
- Adopts \$885,000 ongoing from the Motor Vehicle Account (MVA) for 7 positions to analyze highway violence crime data and conduct highway violence criminal research.

High Speed Rail Authority

- Reappropriates Federal Trust Fund authority through June 30, 2034, for a total of up to \$246,339,000.
- Reappropriates \$423,335,000 in High-Speed Passenger Train Bond Fund (Proposition 1A) funding through June 30, 2028, to provide adequate time to encumber and liquidate funds associated with the Los Angeles Union Station (LinkUS) Project in Southern California.

Department of Motor Vehicles

- Adopts \$94.1 million Motor Vehicle Account and 109 temporary positions in 2026-27 to continue the digital eXperience platform informational technology upgrade.
- Adopts placeholder statutory changes to reduce printing costs of materials by adopting efficiencies that digitize or reduce printing requirements related to Driver's License Courtesy Notices, Driver's License Handbooks, Digital Notice Opt-Out, Rushed Registration Documents, Digital Titles, and Disabled Person Parking Placard Enhancements.
- Funds a one-time increase of \$24.5 million Motor Vehicle Account for increased operating costs across DMV's facilities.
- Appropriates \$5 million Motor Vehicle Account to expand mobile app based identification cards.
- Provides \$4.1 million Motor Vehicle Account to relocate the San Clemente Field Office.

- Provides a supplemental appropriation of \$3,885,000 Public Buildings Construction Fund for increased costs of the construction phase of the Delano: Field Office Replacement Project.
- Adopts a technical adjustment to increase its reimbursement authority by \$6.4 million in 2026-27, \$6.8 million in 2027-28, \$7 million in 2028-29, \$7 million in 2029-30, and \$6.5 million in 2030-31 and ongoing for the continuation of previously approved full cost recovery programs pursuant to the State Administrative Manual Section 8752. In addition, DMV is requesting 4 positions in 2026-27 and ongoing at the Motor Vehicle Representative classification level for workload associated with AB 85, the California State Payroll System Project readiness activities, and ongoing cost increases (i.e. salary increases, etc.) for all reimbursable programs.
- Approves \$9.8 million in 2026-27, with an extended encumbrance period, from the Motor Vehicle Account (MVA), inclusive of resources to support establishing a leased San Francisco Field Office for 2026-27 through 2029-30.
- Provides \$21,185,000 new Public Buildings Construction Fund and the reversion of \$15,480,000 Public Buildings Construction Fund for an incremental increase of \$5,705,000 for the construction phase for the continuing Oxnard: Field Office Reconfiguration project.
- Reappropriates previously approved Digital eXperience Platform (DXP) project funding of \$32.3 million from the Motor Vehicle Account (MVA).

Office of the Inspector General, High-Speed Rail

- Adopts placeholder trailer bill language that establishes reporting and disclosure requirements.
- Funds \$1,306,000 in 2026-27 and \$169,000 in 2027-28 and ongoing from the Public Transportation Account, State Transportation Fund for maintenance and operations for two information technology projects in-progress.

Board of Pilot Commissioners

- Appropriates \$2,500,000 in 2026-27, from the Board of Pilot Commissioners' Special fund to begin an information technology project to modernize the business operations of the Board.
- Allocates \$529,000 in 2026-27; \$454,000 in 2027-28; and \$233,000 in 2028-29 and ongoing from the Board of Pilot Commissioners' Special fund to cover legal expenses and secure a new leased office facility.
- Funds \$158,000 in 2026-27, \$226,000 in 2027-28, and \$285,000 in 2028-29 and ongoing from the Board's Special Fund for increased operations and trainee costs to maintain baseline operations, and support mission critical programs and statutory mandates.

VARIOUS

Vacancy Eliminations Across the Natural Resources Agency and the Environmental Protection Agency

- Maintains 356.2 vacant FTEs (\$39.8 million Special Fund) at various departments, including 60.1 FTEs at the Department of Fish and Wildlife, 15 FTEs (\$2.9 million Special Fund) at the Department of Pesticide Regulation, 29 FTEs (\$5.7 million Special Fund) at the State Water Resources Control Board, 75.1 FTEs (\$10.6 million Special Fund) at the Department of Toxic Substances Control, nine FTEs (\$1.2 million Special Fund) at the Department of Resources Recycling and Recovery, 20 FTEs (\$2.8 million Special Fund) at the Department of Food and Agriculture and seven FTEs (\$1.3 million Special Fund) at the Public Utilities Commission.

Department of Food and Agriculture

- Maintains \$23.5 million General Fund for the Livestock Enteric Methane Emission Reduction Program.
- Includes \$15 million one-time General Fund in 2026-27 for the California Nutrition Incentive Program.
- Includes \$15 million one-time General Fund in 2026-27 for the Local Food Purchase Assistance Cooperative Agreement Program.
- Includes \$24,600,000 General Fund in 2026-27 for the California Farm to School Incubator Grant Program; rejects ongoing funding.
- Includes \$187,000 General Fund in Fiscal Year 2026-27 and ongoing and one position to meet the mandates of Senate Bill (SB) 312 (Chapter 480, Statutes of 2025) to serve as the central repository for dog Certificates of Veterinary Inspection, verify accuracy, maintain five-year retention, and provide public access to these records—outside of the Public Records Act process—with only limited redactions.
- Includes \$228,000 General Fund in 2026-27 to implement Chapter 613, Statutes of 2025 (AB 411) – Caring About the Terrain, Livestock, and Ecosystems (CATTLE) Act.
- Includes \$382,000 General Fund, \$353,000 Department of Food and Agriculture Fund, and \$75,000 Special Funds in Fiscal Year 2026-27 and ongoing, and 4.0 positions to complete crucial Information Technology (IT) operational activities in accordance with CDFA's Strategic Plan 2025-2030.
- Includes \$204,000 General Fund in 2026-27, 2027-28, and 2028-29, and \$204,000 Department of Food and Agriculture Fund (Ag Fund) in 2029-30 and ongoing, and 1.0 permanent position to continue the statutorily mandated collection and publication of agricultural statistical reports.

- Includes \$900,000 General Fund in 2026-27 to perform critical repairs at its Biological Control Facility in Sacramento.
- Includes additional requests for various bond appropriations, reappropriations, and reversions; technical adjustments; reappropriations; and baseline adjustments to continue implementation of previously authorized programs.
- Includes \$8,336,000 transfer from the General Fund to the Department of Food and Agriculture Fund in 2026-27, with authority to make transfers until June 30, 2028, to cover the deficit incurred by CDFA in the implementation of the Industrial Hemp Program.
- Includes \$7,983,000 General Fund in 2026-27 and \$2,818,000 ongoing, which includes a one-time \$5,165,000 General Fund transfer to the Department of Food and Agriculture Fund (Ag Fund) in 2026-27 to repay a loan incurred to establish the Animal Care Program, which was created to implement the provisions of Proposition 12 passed in 2018 (Prop 12); includes provisional language to transfer the requested General Fund to the Ag Fund to repay this loan.
- Includes \$10,500,000 General Fund in 2026-27 and ongoing to maintain mission critical pest detection activities for the Invasive Fruit Fly program.
- Includes \$189,000 General Fund and 1.0 position in 2026-27 and ongoing to provide resources for clerical and administrative duties for the State Racetrack Leasing Commission (SRTL) pursuant to Food and Agricultural Code (FAC) section 4352.

Governor's Office of Land Use and Climate Innovation

- Includes \$3.4 million General Fund in 2026-27, and ongoing, to establish baseline support for core administrative and legislative functions.
- Includes \$6.2 million General Fund in 2026-27 and ongoing to continue the implementation of information technology services following the establishment of the LCI Information Technology Office.
- Includes \$900,000 General Fund in 2026-27 and ongoing to sustain critical Land Policy planning team staff; also includes \$949,000 General Fund annually in 2027-28 through 2031-32, aligned with the sunset of existing statutory obligations related to California Environmental Quality Act judicial streamlining.
- Includes \$219,000 General Fund in 2026-27 and 2027-28 to support a temporary position to implement Chapter 724, Statutes of 2025 (SB 71).
- Includes various reappropriations and extensions of liquidation related to funding received in the Budget Act of 2021 (Chapter 240, Statutes of 2021).

- Includes \$522,000 General Fund and 1.0 position in 2026-27 and ongoing to carry out the statutory requirements of Chapter 264, Statutes of 2022 (AB 2238).

GENERAL GOVERNMENT

Housing and Homelessness

- Maintains commitment to Housing and Homelessness funding with the following investments:
 - Anticipates Nov. 2026 housing bond and ballot proposal to grow rainy day fund.
 - \$500 million for the Low-Income Housing Tax Credit.
 - An additional \$400 million for the Homeless Housing, Assistance and Prevention (HHAP) program for a total of \$900 million.
 - \$200 million for the Multi-Family Housing program.
- Defers action on the following items:
 - Trailer bill language to codify the Governor's Reorganization Plan (GRP 2025), which dissolved the Business, Consumer Services, and Housing Agency (BCSH), created two stand-alone cabinet-level agencies: California Housing and Homelessness Agency (CHHA) and Business and Consumer Services Agency (BCSA), and also created two new entities: the California Interagency Council on Homelessness (Cal ICH) and the Housing Development and Finance Committee (HDFC).
 - Trailer bill to statutory changes to improve the alignment of affordable housing programs under HDFC with financing tools including the Low-Income Housing Tax Credits (LIHTC) and dedicated bonds to be allocated by HDFC.
 - Trailer bill to modernizing the affordable housing and sustainable communities (AHSC) program – proposes programmatic changes to modernize the AHSC program.
 - Trailer bill to align local actions with efforts to reduce development costs, which would encourage local governments to provide development fee waivers by recognizing those waivers as a form of local contribution in state affordable housing programs. Prohibits local governments – when serving as a lead- or-co-applicant – from imposing development impact fees on projects receiving state funding.

Department of Housing and Community Development

- Rejects trailer bill language to allow the Department of Housing and Community Development (HCD) to make administrative fee adjustments, consistent with California Consumer Price Index (CPI), starting July 1, 2026, and each year thereafter.
- Adds 7.0 positions in 2026-27 and ongoing, to implement and support the new information technology solution, HCD Connect, for monitoring and management of loan and grant programs.

- Includes \$4.2 million General Fund and 16.0 positions in 2026-27 and ongoing, and \$470,000 one-time General Fund in 2026-27, for HCD to implement statutory requirements associated with AB 1296 (Bonta, Chapter 508, Statutes of 2025), AB 413 (Fong, Chapter 489, Statutes of 2025), AB 507 (Haney, Chapter 493, Statutes of 2025), AB 518 (Ward, Chapter 157, Statutes of 2025), AB 610 (Alvarez, Chapter 494, Statutes of 2025), AB 670 (Quirk-Silva, Chapter 701, Statutes of 2025), AB 726 (Avila-Farias, Chapter 704, Statutes of 2025) and SB 79 (Weiner, Chapter 512, Statutes of 2025).
- Includes placeholder trailer bill language on enhanced accountability for the HHAP program including maintaining a compliant housing element, aligning with state guidance on encampments, advancing pro-housing policies, and leveraging local resources.
- Approves the reappropriation of \$7 million of previously awarded and currently uncommitted funds available through the 2021 Infill Infrastructure Grant (IIG) for HCD to assist the construction of additional infrastructure and housing projects.
- Reverts \$603,000 (General Fund), which was appropriated in the 2022 Budget Act to the California Interagency Council on Homelessness for the administration of the Encampment Resolution Funding program and subsequently transferred to the Department of Housing and Community Development, per Health and Safety Code section 50231 (e) and (f). These funds are no longer needed given the associated awards have been fully implemented.

California Interagency Council on Homelessness

- Adopts \$339,000 one-time General Fund in 2026-27 to implement the provisions of Chapter 495, Statutes of 2025 (AB 678). AB 678 would require the California Interagency Council on Homelessness to coordinate with representatives from LGBTQ+ communities to identify recommended policies and best practices for providing inclusive and culturally competent services to individuals experiencing homelessness who identify as LGBTQ+.

California Housing and Finance Agency

- Includes placeholder trailer bill language for the creation of a Disaster Rebuilding Fund to expand access to construction and renovation financing for disaster-impacted homeowners. Includes \$100 million investment (\$56 M GF and \$44 National Mortgage Settlement Funds). Funding will be used to reduce borrowing costs and facilitate access to private financing through a combination of loan loss guarantee program, an interest rate buydown program and additional tools.

California Tax Credit Allocation Committee

- Approves an increase of \$613,000 for (1) Supervisor I position and two (2) Analyst II positions in the Compliance Section to accommodate the ongoing workload created by the operation of the programs and by an expansion of duties created by state legislation chaptered in 2024.

- Adds an increase of \$1,321,000 for one (1) Supervisor I position and six (6) Analyst II positions in the Development Section to accommodate the ongoing workload created by the operation of the programs and by an expansion of duties created by federal legislation signed into law in 2025.

Civil Rights Department

- Approves \$2,395,000 and 19.0 positions in 2026-27, \$3,177,000 in 2027-28, \$4,168,000 in 2028-29, \$5,154,000 in 2029-30, \$4,254,000 in 2030-31, and \$3,354,000 in 3031-32 and ongoing to implement statutory requirements associated SB 464 (Chapter 760, Statutes of 2025), AB 822 (Chapter 714, Statutes of 2025), AB 935 (Chapter 717, Statutes of 2025), and SB 518 (Chapter 755, Statutes of 2025).
- Includes \$2,103,000 (General Fund) in 2026-27 and \$2,070,000 in 2027-28 and ongoing and 12.0 positions to support the implementation of AB 2188 (Chapter 392, Statutes of 2022) related to cannabis discrimination in employment.
- Adds \$1,278,000 (General Fund) and eight positions in 2026-27 and \$1,255,000 (General Fund) in 2027-28 and ongoing, to continue implementation of AB 1041 (Chapters 748, Statutes of 2022) and AB 1949 (Chapter 767, Statutes of 2022) for the Civil Rights Department. AB 1041 amended both the California Family Rights Act (CFRA) and the Healthy Families Act of 2014 (paid sick leave law), expanding eligibility to allow employees to take protected leave to care for designated individuals beyond traditional family members. AB 1949 amended CFRA to mandate that employers grant an eligible employee's request for up to five days of bereavement leave.
- Approves \$502,000 (General Fund) in 2026-27, and ongoing for security guard services at all CRD public counters.
- Approves permanent position authority for six positions and \$838,000 in 2026-27, 2027-28, and 2028-29 for the Civil Rights Department to reduce complaint wait times and increase settlement of employment and housing complaints.

Governor's Office of Business and Economic Development

- Adopts placeholder trailer bill language to extend the California Competes (CalCompetes) Tax Credit for five years from 2028-29 to 2032-33.
- Reappropriates from previous Budget Acts to extend the encumbrance periods from two appropriations. The extended encumbrance period will allow GO-Biz, Employment Development Department (EDD), and Labor Workforce Development Agency (LWDA) to expend administrative resources for Jobs First program aligning with the lifecycle of the program which is operable until June 30, 2030, and adopts placeholder trailer bill language to codify the Jobs First Program.
- Adopts \$500,000 (General Fund) in 2026-27 to support international trade to scale export promotion efforts and create the California Export Promotion Program (CAL EXPORT)

within the Governor's Office of Business and Economic Development (GO-Biz) International Affairs and Trade Unit. Provides that if GO-Biz receives confirmation that the federal STEP program will not award grant funding to California for expenditure during the 2026–27 fiscal year, then after 30 days' notice to the Joint Legislative Budget Committee reporting that confirmation, the additional amount of \$884,000 shall be available to GO-Biz for this same purpose.

- Includes \$400,000 (General Fund) in 2026-27 only, and one permanent position to operationalize and expand GO-Biz's work to attract, retain, and grow innovation and emerging technology sectors in California.
- Adds \$472,000 General Fund, and 3.0 permanent positions in 2026-27, and \$472,000 General Fund ongoing, to support the expansion of the California Film & Television Tax Credit Program.
- Provides \$10 million General Fund in 2026-27 for the California Civic Media program, to support the work for California's newsrooms, increase access to information, and strengthen engagement statewide.
- Reappropriates up to \$1 million from Item 0509-102-0001, 2022 Budget Act, for the California Regional Initiative for Social Enterprise (CA RISE) program. This reappropriation provides an encumbrance period through June 30, 2027.
- Reverts unspent funds provided in the 2025 Budget Act intended to reimburse capital expenditure costs for the construction of the Design and Collaboration Facility in Sunnyvale, California, which will no longer proceed.
- Adds \$6.5 million for the Black Women's Collective Empowerment Institute.
- Includes \$3 million for Black Freedom Fund programs.

Department of Financial Protection and Innovation

- Includes \$15.3 million (Financial Protection Fund) annually through 2029-30 to continue to implement AB 1864 the California Consumer Financial Protection Law (CCFPL), which expanded DFPI's authority to oversee financial products and services.
- Provides \$13.5 million (Financial Protection Fund) annually through 2029-30 to continue implementing SB 908, the Debt Collection Licensing Act, which requires DFPI to license, regulate and examine debt collectors.
- Includes two positions and an increase in expenditure authority of \$499,000 Financial Protection Fund in 2026-27 and ongoing to continue overseeing continuing education requirements by investment adviser representatives regulated under the Broker-Dealer and Investment Advisor Program.

- Adds \$125,000 one-time Financial Protection Fund in 2026-27 for costs associated with modifying the Franchise Registration and Securities Electronic Submissions System.

Franchise Tax Board

- Includes placeholder trailer bill language to reduce the \$800 annual tax paid by limited liability partnerships in their first year to \$400 during the 2027, 2028, and 2029 tax years.
- Adds placeholder trailer bill language to implement a permanent business credit limitation that is the greater of \$5 million per corporation per year or 50 percent of a corporation's pre-credit tax liability beginning in tax year 2027.
- Includes placeholder trailer bill language to conform to federal tax treatment of retirement accounts for children.
- Adopts placeholder trailer bill language for 100 percent tax on Trump's "1.776 billion anti-weaponization fund" payouts.
- Approves an augmentation of \$59.857 million in 2026-27, \$23.975 million in 2027-28, \$17.635 million in 2028-29, \$17.641 million in 2029-30, \$17.637 million in 2030-31, and 20 permanent positions for the sixth-year implementation of the Enterprise Data Revenue Project 2 (EDR 2) project, which is the second phase of the Tax System Modernization plan.
- Adopts \$13.1 million 2026-27 and \$389,000 in 2027-28 and ongoing, to replace primary and disaster recovery mainframe servers to increase memory and processing capacity, and upgrade software to meet workload growth projections.
- Includes General Fund reductions of \$921,000 in 2026-27, \$2.3 million in 2027-28, and \$2.7 million in 2028-29 and ongoing to reflect savings associated with ceasing efforts to link the Board's CalFile system to the recently discontinued federal program.

Department of Tax and Fee Administration

- Includes placeholder trailer bill language to apply the sales tax to sales of digital prewritten software, regardless of how the product is delivered to the purchaser, whether on a disc or physical medium, electronic transmission and local hosting (download), or remote access through the internet, including Software-as-a-service (SaaS), where the customer access the software hosted by the vendor but never takes possession of it.
- Adopts placeholder trailer bill language to incentivize production of Sustainable Aviation Fuel (SAF) by providing a credit against diesel excise tax liability of \$1 to \$2 for every gallon of SAF sold for use in California from 2026 through 2035.
- Adds \$5.6 million augmentation from the Cannabis Tax Fund in 2026-27 and ongoing to address compliance and enforcement in the Cannabis Tax Program. This would bring the total Cannabis Tax Fund appropriation for this program to \$17.9 million.

- Includes augmentations of \$3.8 million in 2026-27, \$3.7 million in 2027-28, \$3.7 million in 2028-29, and \$1.2 million in 2029-30 and ongoing from the Compliance Fund for the Tobacco Licensing Program to enforce AB 3218 and other flavor ban laws. Adopts an additional \$2 million of annual flavor ban enforcement costs by using existing Compliance Fund appropriations that the department has not been spending.
- Provides \$3.3 million of augmentations in 2026-27 and ongoing to address enforcement responsibilities stemming from a new law on hemp-derived cannabinoids (Chapter 248 of 2025 [AB 8, Aguiar-Curry]). In 2026-27, \$2.8 million of these appropriations would come from the Compliance Fund to pay for costs in the Tobacco Licensing Program, while \$0.5 million would come from the Cannabis Tax Fund to pay for costs in the Cannabis Tax Program. \$0.2 million of these costs would shift from the Compliance Fund to the Cannabis Tax Fund starting in 2027-28.
- Approves a reappropriation of \$3.8 million from 2025-26 to 2026-27 for a significant software upgrade of the Centralized Revenue Opportunity System (CROS). The reappropriation reduces expenditures in 2025-26 to \$5.5 million (\$9.3 million less \$3.8 million) and provides \$13.1 million (\$9.3 million plus \$3.8 million) in 2026-27. To fund the upgrade, CDTFA will delay non-urgent system changes (e.g., customized reports) in 2025-26 to 2026-27.
- Includes a reduction of \$10 million General Fund beginning in 2026-27 to reflect anticipated operational savings.

Board of Equalization

- Approves \$3.2 million in 2026–27, and \$3.1 million in 2027-28, from the General Fund for the BOE to implement a cloud-based, fully integrated tax administration system.
- Includes \$154,000 in 2026-27 to implement recently enacted Senate Bill (SB) 293 (Chapter 539, Statutes of 2025). These resources are necessary for the BOE to issue guidance and technical instructions to County Assessors impacted by the change in law, to update public information materials and related resources, to respond to an increase in public and stakeholder inquiries, and to conduct administrative and legal reviews to ensure consistent statewide implementation of the law.

State Treasurer's Office

- Includes resources for the State Treasurer's Office (STO) Investment Division for an ongoing augmentation in reimbursements to meet the increasing cost of electronic services necessary to safely and prudently invest state money for the Pooled Money Investment Account (PMIA).
- Approves reimbursement authority of \$440,000 in 2026-27, \$484,000 in 2027-28, \$532,400 in 2028-29, \$585,640 in 2029-30, and \$644,204 in 2030-31, and ongoing funding for an Investment Portfolio Tracking system from a third-party vendor to provide

a modern portfolio tracking system platform that will improve transparency, streamline workflows, ensure regulatory compliance, and provide analytics.

- Reappropriates up to \$360,000 from Item 0950-001-0001, Provision 5, Budget Act of 2025, for the continuation of efforts by the CalAccount Blue Ribbon Commission to study the feasibility and implementation of the CalAccounts program.
- Includes an increase from \$1.7 million to \$8 million, allowing the Department of Finance, upon certification by the Treasurer, to cover additional expenses for canceled general obligation bond, lease-revenue bond, and revenue anticipation note sales from the General Fund (after first applying any available bond funds), with required legislative notification within 30 days.

California Alternative Energy and Advanced Transportation Financing Authority

- Approves limited-term funding authority for 3 new positions, as well as continued authority for 2 previously established positions at the California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA) to support the Sales and Use Tax Exclusion (STE) program.

Commission on State Mandates

- Adopts mandates to fund and suspend consistent with the Governor's January Budget and as adjusted by the May Revision.
- Adopts placeholder trailer bill language to remove the mandated disclosure requirement and funds the costs already incurred by LA County for a total of \$27,000 for the Disclosure Requirements and Deferral of Property Taxation, SB 918 (Chapter 712, Statutes of 2022).
- Approves an increase of \$20,000 one-time to support the Commission's increased lease costs associated with the expiration of a prior concession that provided a rent-free month. This adjustment is necessary to ensure the Commission can meet its operational needs.

California Department of Veterans Affairs

- Provides \$209.3 million Federal Funds authority to receive a federal grant award for allowable costs for the Veterans Home of California, Yountville Skilled Nursing Facility Project. The United States Department of Veterans Affairs, by way of the State Home Construction Grant Program, executed a Memorandum of Agreement, approving funding for this project. A like amount of Public Buildings Construction Fund bonds (lease revenue bonds) will be offset once the federal funds are received.
- Approves \$303,000 General Fund and 2 positions in 2026-27, and \$292,000 General Fund in 2027-28 and ongoing, to augment staffing resources within the Administrative Services Division to meet the increased demands of the Budget Office.

- Approves \$1.6 million General Fund in 2026-27 and \$590,000 General Fund in 2027-28 and ongoing for the continued implementation of Phase 3 of a new CalVet Electronic Health Record Project, a new long-term care electronic health record system in the Veterans Homes of California and Headquarters.
- Approves an additional \$2.4 million General Fund in 2026-27 to support the remaining Veterans Homes and the final implementation of Phase 3 of the CalVet Electronic Health Record Project in the Veterans Homes and Headquarters.
- Reappropriates \$2.3 million in the 2026-27 from the 2023 Budget Act to extend the liquidation date until June 30, 2027, to fulfill contractual obligations and pay invoices related to the completion of the CalVet Electronic Health Record Project.
- Provides \$10 million expenditure authority from the Southern California Veterans Cemetery Master Development fund for Phases 1 (preliminary plans) and Phase 2 (working drawings) for this proposed state-operated veterans cemetery capital outlay project.
- Approves \$7 million General Fund one-time in 2026-27 for the continuation of the Veterans Support to Self-Reliance Program.
- Provides \$6 million General Fund one-time in 2026-27 for state support of County Veterans Service Offices to be expended over three years.
- Approves \$2 million General Fund one-time in 2027-28 for the Transgender Discharged Service Members Program to support United States service members discharged under the recent transgender military ban.

California Gambling Control Commission

- Increases the Tribal Nation Grant Fund expenditure authority by \$117,000,000 in 2026-27, and by \$40,000,000 in 2027-28 and ongoing to ensure the maximum allowable amount is available for disbursement to eligible tribes, pursuant to Chapter 129, Statutes of 2025 (AB 221, Ramos).
- Approves \$467,000 Special Funds and 2 positions in 2026-27, and \$462,000 in 2027-28 and ongoing, to address technical information technology operations workload and bring the Commission into compliance with its information security.

Cannabis Control Appeals Panel

- Approves \$3.4 million Cannabis Control Fund in 2026-27 for three years to support 12 existing positions and operational expenses. Also, approves \$57,000 in reimbursement authority in 2026-27, \$59,000 in 2027-28, \$61,000 in 2028-29, \$63,000 in 2029-30 and \$65,000 in 2030-31 and ongoing to recoup shared facility costs with the Alcoholic Beverage Control Appeals Board.

California Department of Cannabis Control

- Approves \$6.4 million Cannabis Tax Fund and 12 positions in 2026-27, and \$3.9 million in 2027-28 and ongoing to establish a sworn officer presence in a new Northern California field office (Redding area). The establishment of a field office in Northern California will strengthen cannabis enforcement presence, improve geographic coverage, and enhance enforcement operations capabilities.
- Approves \$1.2 million Cannabis Control Fund and 4 positions in 2026-27, and \$2.1 million Cannabis Control Fund and 8 positions in 2027-28 and ongoing to increase the department's legal professional staff to combat the illegal cannabis market.
- Approves \$5.6 million Cannabis Control Fund and 18 positions, and \$1.7 million Cannabis Tax Fund and 4.0 positions in 2026-27, and \$4.1 million Cannabis Control Fund and 18 positions and \$852,000 Cannabis Tax Fund and 4 positions in 2027-28 and ongoing, to begin restricting the sale of intoxicating hemp products, expand enforcement tools and, beginning in 2028, integrate hemp into the cannabis regulatory frameworks, pursuant to Chapter 248, Statutes of 2025 (AB 8, Aguiar-Curry).
- Approves \$7.2 million Cannabis Control Fund one-time in 2026-27 for the Cannabis Systems Integration project which will consolidate two cannabis systems into one single system.

Department of Alcohol Beverage Control

- Approves an increase in expenditure authority of \$397,000 Alcohol Beverage Control Fund in 2026-27, and \$268,000 in 2027-28 and ongoing to support the relocation of the Palm Desert District Office.

State Controller

- Includes \$7.1 million for Go-Live Support and Stabilization for the transition of the state's accounting Book of Record into the Fi\$Cal system.
- Provides \$96.9 million (\$59.1 million General Fund) to begin implementing the California State Payroll System.
- Continues \$9.5 million (5.8 million General Fund) for Broadcom Computer Associates Integrated Database Management System Software Licensing.
- Adds \$2.7 million (\$1.6 million General Fund) to provide Generally Accepted Accounting Principles (GAAP) financial reporting assistance to various state departments), subscription costs for automated financial reporting software to restore and to sustain on-time publication of the state's Annual Comprehensive Financial Report (ACFR).
- Adds \$3 million Special Fund to support Unclaimed Property Program's public awareness efforts.

California Legislature

- Provides a State Appropriations Limit growth factor adjustment of 4.72 percent, pursuant to Article XIII B of the California Constitution, to the budgets of the Assembly, Senate, and Legislative Analyst's Office.

Local Government Finance

- Provides \$80 million to backfill three counties with insufficient local property taxes to offset lost Vehicle License Fee revenue from the State's reduction of the Vehicle Licensing Fee, with language allowing the Department of Finance to appropriate up an additional \$80 million for this purpose.

Secretary for Government Operations Agency

- Approves 4 new permanent positions to staff up the newly created Office of the California Education Interagency Council (CEIC).
- Provides \$4 million General Fund in 2026-27, and ongoing, for the California Education Learning Lab (Learning Lab).
- Adopts Placeholder Trailer Bill Language regarding the California Education Learning Lab.
- Provides \$3,581,000 General Fund in 2026-27, and \$2,806,000 General Fund in 2027-28, and ongoing, to implement AB 715 (Zbur, Addis), Chapter 428, Statutes of 2025 and SB 48 (Gonzalez, Fong, Ward, Weber-Pierson), Chapter 429, Statutes of 2025. In addition, makes contingent upon the passage of SB 998 (Gonzalez – 2026), "the Administration shall appropriate additional funding to implement the provisions of SB 998 (Gonzalez – 2026) no later than in the January 2027 Governor's Budget."
- Adopts Placeholder Trailer Bill Language regarding AB 91 (Harabedian, 2025) implementation.
- Adopts placeholder trailer bill language regarding the Workforce Pell Grant.
- Approves trailer bill language that would require the data providers in the Cradle to Career Data System to enter into a memorandum of understanding for data sharing purposes for implementation of the data system.

Labor and Workforce Development Agency

- Provides \$3M GF One-time for the UFCW Western States Council High Road Workforce Initiative.

Governor's Office of Service and Community Engagement

- Adopts a net-zero transfer of \$1,779,000 in College Corps administrative funds from the program's local assistance account to its state operations account to correct a prior misclassification.

Secretary of State

- Includes a permanent augmentation of \$3.8 million from the Business Fees Fund beginning in 2026-27 to support the ongoing needs of the Business Programs Division. This request includes: (1) \$3.6 million to permanently fund 37 existing positions that are limited term funded through June 30, 2026, and (2) \$268,000 to provide ongoing support for 33 positions that were reclassified in 2023-24.
- Provides \$11.8 million General Fund in 2026-27 to support the CARS Project which replaces the outdated CAL-ACCESS system for electronic reporting of campaign finance and lobbying activities mandated by the Political Reform Act (SB 84 and SB 1349).
- Provides a one-time augmentation of \$660,000 General Fund in 2026-27 to implement confidential voter registration requirements as prescribed by AB 1392 (Sharp-Collins), Chapter 300, Statutes of 2025.
- Provides \$1.1 million General Fund in 2026-27 and \$807,000 General Fund annually thereafter to support four permanent positions and litigation tracking software licensing costs necessary to implement and administer the statutory requirements prescribed by SB 851 (Cervantes), Chapter 238, Statutes of 2025.
- Provides \$10.3 million Federal Trust Fund authority in 2026-27 for maintenance and operations, election management systems, data lines, and off-premises cloud costs for the VoteCal statewide voter registration system.
- Provides \$4.5 million Federal Trust Fund authority in 2026-27 to continue implementation of the statewide mandates of the Help America Vote Act of 2002.
- Includes \$187,000 General Fund in 2026-27 and \$182,000 in 2027-28 and ongoing for 1.0 permanent position to provide comprehensive supervisory, management, and oversight of the complex areas of Campaign, Lobbying and Customer Support operations within the Political Reform Division and implement requirements of multiple changes to Government Code Sections.
- Provides \$9.8 million Business Fees Fund in 2026-27 for the continuation of the Notary Automation Replacement Project 2.0 (NAP 2.0).
- Includes two positions and \$341,000 General Fund in 2026-27 and \$263,000 General Fund annually thereafter to implement the provisions of AB 82 (Ward), Chapter 679, Statutes of 2025, which expands "Safe at Home" eligibility to designated health care providers, employees, volunteers, and patients, and their family members.

- Approves the transfer of \$1 million of the maintenance and operations costs of the “Bizfile Online” program from the Business Fees Fund to the Business Programs Modernization Fund in 2026-27 and annually thereafter.
- Provides \$5,962,000 one-time (\$2,185,000 General Fund and \$3,777,000 Business Fees Fund) for the completion of a multi-phased security improvement project, being implemented at the March Fong Eu Secretary of State Building Complex. The Administration states that these improvements are based on an updated security assessment by the California Highway Patrol.
- Provides \$1.93 million Federal Trust Fund in 2026-27 to accept and extend the grant award, and \$386,000 General Fund in 2026-27 to meet the 20 percent state match requirement.
- Provides reimbursement authority of \$55,000 General Fund and \$96,000 in Business Fees Fund in 2026-27 and ongoing to receive payments from the State Controller’s Office to implement the California State Payroll System.
- Provides \$5 million General Fund onetime funding for Voter outreach and Education for the November 3, 2026 General Election.

Department of Consumer Affairs

- Provides a budget augmentation of \$162,000 Athletic Commission Fund in 2026-27 and ongoing for personal service and travel costs. Additionally, the Commission requests to amend provision two of its budget act item for a current year budget augmentation not to exceed \$300,000 to support increased athletic inspector pay, training costs, and Attorney General expenses.
- Provides \$251,000 from the Pharmacy Board Contingent Fund, Professions and Vocations Fund in 2026-27 and \$243,000 in 2027-28 for 1.0 Career Executive Assignment, to serve as the Chief of Licensing overseeing the Board of Pharmacy’s licensing program.
- Provides \$1.43 million Board of Registered Nursing Fund, Professions and Vocations Fund in 2026-27 and \$1.36 million in 2027-28 and ongoing to support 8.0 Special Investigators within its Investigations Division to address increasing complaint workload at the Board of Registered Nursing.
- Approves an increase in expenditure authority of \$876,000 Veterinary Medical Board Contingent Fund in 2026-27 and ongoing to continue funding for 4.0 existing Analyst IIs and 1.0 Supervisor II, to address investigation and complaint workload in the Enforcement Unit.

- Approves an increase in expenditure authority of \$338,000 Osteopathic Medical Board of California Contingent Fund in 2026-27 and ongoing to support investigative services provided by the Division of Investigation's Health Quality Investigation Unit.
- Approves an increase in expenditure authority of \$836,000 Physician Assistant Fund in 2026-27 and \$828,000 in 2027-28 and ongoing and 1.0 Special Investigator to support the Board's enforcement operations, increased Attorney General costs, and investigative services provided by the Division of Investigation's Health Quality Investigation Unit.
- Approves an increase in expenditure authority of \$2 million Contractors License Fund in 2026-27 and ongoing authority to address an Information Technology funding shortfall, which is essential to support the mission of the Contractors State License Board.
- Approves an increase in expenditure authority, one-time, of \$1,732,000 Pharmacy Board Contingent Fund, Professions and Vocations Fund and 1.1 positions in 2026-27, and 4.0 positions in 2027-28 and ongoing to support the Board's business modernization activities.
- Provides \$145,520,000 (\$60,937,000 General Fund and \$84,583,000 Unemployment Compensation Disability Fund) in 2026-27 to continue the EDDNext modernization project.
- Provides \$10 million General Fund to stabilize the Admin Fund, for the Bureau for Private Postsecondary Education. Approval of this request will allow the Bureau to pay back its outstanding CS 14.00 loan to the Bureau of Automotive Repair and provide time to consider policy, operational, and fiscal matters during the legislative sunset review process. In addition, includes adds provisional language that would provide the Bureau with flexibility to address the additional pending legal costs that are currently unknown but anticipated to be incurred in 2026-27.

Employment Development Department

- Provides \$532,000 Unemployment Compensation Disability (DI) Fund in 2026-27, \$1,483,000 DI Fund in 2027-28, and \$342,000 DI Fund in 2028-29 and ongoing, for EDD to implement the changes required by SB 590 (Durazo), Chapter 772, Statutes of 2025, that was recently chaptered.
- Provides \$145.5 million (\$60.9 million General Fund and \$84.6 million) in 2026-27 to continue the EDDNext modernization project. The resources requested in this proposal are intended to continue supporting the modernization of benefits systems and services through the next phase of the EDDNext life cycle.
- Provides \$10 million one-time General Fund and \$10 million one-time Unemployment Compensation Disability Fund and provisional language to support continued implementation of the EDDNext Document Management System.
- Includes an increase of \$6.1 million one-time to reflect an updated unemployment

insurance loan interest payment estimate. In conjunction with the amount proposed at the 2026-27 Governor's Budget, this will be used to fund the estimated interest payment of \$668,291,000.

- Provides \$2.3 billion ongoing from the Unemployment Compensation Disability Fund to align with updated projections for disability insurance program benefit payments. Additionally, provides \$1.3 billion one-time from the Unemployment Compensation Disability Fund in 2025-26 to align with estimated current year increases in disability program benefit payments. Finally, provides \$4.3 million ongoing from the Unemployment Compensation Disability Fund to align with updated estimates for disability program administration needs.
- Provides \$74,325,000 ongoing from the Consolidated Work Program Fund and \$74.3 million from the Federal Trust Fund \$95.6 million ongoing Consolidated Work Program Fund and \$95.6 million ongoing Federal Trust Fund to align Workforce Innovation and Opportunity Act funding authority with estimated federal allocations.
- Provides \$65.7 million ongoing from the Unemployment Fund and \$65.7 million ongoing from the Federal Trust Fund to align with updated projections for unemployment insurance program benefit payments. Additionally, approve a decrease of \$308 million in 2025-26 to align with an estimated current year increase in unemployment insurance program benefit payments.
- Makes various adjustments to the school employees fund to align with updated projections for School Employees Fund benefits payments.
- Approves technical changes to reappropriate \$883,000 General Fund included in the 2022 Budget Act for targeted emergency medical technician training to make funds available for encumbrance or expenditure for one additional year, until June 30, 2027.
- Approves a technical correction to effectuate a reversion of \$70,570,000 previously appropriated for the EDDNext project. This item was proposed in the Governor's Budget but was inadvertently omitted from the budget bills (AB 1563 and SB 879).

California Workforce Development Board

- Approves \$15.1 million (\$5.6 million General Fund and \$9.6 million other funds) in 2026-27, \$13.9 million (\$3.9 million General Fund and \$10 million other funds) in 2027-28, \$4.9 million (\$2.4 million General Fund and \$2.5 million other funds) in 2028-29, \$3.3 million (\$755,000 General Fund and \$2.6 million other funds) in 2029-30; and \$1.9 million other funds ongoing to support the operations of the California Workforce Development Board.
- Includes various adjustments of the reimbursement authority included in the 2026-27 Governor's Budget Additional Operational Resources BCP, including an increase in reimbursement authority of \$7.5 million one-time in 2026-27 and a decrease in reimbursement authority of \$500,000 one-time in 2028-29 and \$1 million in 2029-30. This

will align the amounts included in the BCP to the interagency agreement with the Department of Transportation (Caltrans) for the High Road Construction Career (HRCC) Program.

- Provides \$5 million General Fund in onetime funding for the Creating Restorative Opportunities and Programs (CROP).
- Adopts placeholder trailer bill language regarding the streamlining of reporting requirements.

Public Employee Relations Board

- Approves \$378,000 General Fund in 2026-27 and ongoing to align operating expenditures with current costs at Public Employee Relations Board.
- Provides \$2.2 million General Fund and eight positions in 2026-27 and ongoing plus an additional \$800,000 in one-time funds for PERB to implement the requirements of AB 1340 (Wicks), Chapter 335, Statutes of 2025.
- Includes a decrease of \$5 million one-time General Fund and 22 positions in 2026 27, \$6.5 million one-time and 31 positions in 2027 28, and 31 positions ongoing. This adjustment will reduce the amount included in the 2026-27 Governor's budget for implementation of AB 288 (McKinnor), Chapter 139, Statutes of 2025 to a total of \$500,000 one-time in 2026-27 and 2027-28 for the Public Employment Relations Board to support current legal workload associated with the implementation of AB 288.
- Provides \$165,000 General Fund and one position ongoing for implementation of AB 1 (McKinnor), Chapter 313, Statutes of 2023, the Legislative Employer-Employee Relations Act, which will become operative on July 1, 2026.

Department of Industrial Relations

- Provides \$530,000 in 2026-27, \$504,000 in 2027-28, and \$454,00 in 2028-29 from the Occupational Safety and Health Fund to conduct rulemaking related to AB 1181 (Haney), Chapter 392, Statutes of 2025, and one position and \$296,000 in 2029-30 and \$278,000 ongoing from the Occupational Safety and Health Fund for enforcement of the new standards.
- Approves two positions and \$1.1 million in 2026-27, four positions and \$1.9 million in 2027-28, with a total of four positions and \$859,000 ongoing from the Labor Enforcement and Compliance Fund to meet the requirements of AB 1362 (Kalra), Chapter 190, Statutes of 2025.
- Approves 1.0 position and \$335,000 in 2026-27 and 1.0 position and \$317,000 ongoing from the Labor Enforcement and Compliance Fund to meet the requirements of Chapter 703, Statutes of 2025 (AB 692).

- Provides \$18.2 million in 2026-27, \$18.1 million in 2027-28, and \$17.8 million in 2028-29 and 2029-30 from the Apprenticeship Training Contribution Fund to increase grant distributions to approved apprenticeship programs in the building and construction trades by \$17 million annually from 2026-27 to 2029-30 and support related operational costs.
- Approves \$195,000 in 2026-27, \$177,000 in 2027-28 and 2028-29, and 0.5 position and \$98,000 in 2029-30 and ongoing from the Labor Enforcement and Compliance Fund to meet the statutory requirements of Chapter 659, Statutes of 2025 (SB 809).
- Approves one position and \$195,000 in 2026-27 and \$177,000 in 2027-28 and ongoing from the Labor Enforcement and Compliance Fund for DIR to implement the requirements of SB 642 (Limón), Chapter 468, Statutes of 2025.
- Approves two positions and \$336,000 in 2026-27 and two positions and \$300,000 in 2027-28 and ongoing from the Apprenticeship Training Contribution Fund to support pre-apprenticeship programs for the building trades sectors.
- Provides \$8.9 million in 2026-27 from the Labor and Workforce Development Fund to provide system maintenance and operations to DIR's public works data systems as well as to support and educate the public on new prevailing wage portal features and manage the increased volume of wage data.
- Approves two positions and \$390,000 in 2026-27 with \$354,000 in 2027-28 and ongoing from the Labor Enforcement and Compliance Fund for to meet the requirements of SB 294 (Reyes), Chapter 667, Statutes of 2025.
- Approves \$5 million in 2026-27 and ongoing from various special funds for DIR to support increased licensing and network upgrade costs related to automation and infrastructure.
- Approves three positions and \$470,000 in 2026-27 and three positions and \$416,000 in 2027-28 and ongoing from the Occupational Safety and Health Fund to provide resources for the Division of Occupational Safety and Health to implement requirements of SB 20 (Menjivar), Chapter 734, Statutes of 2025.
- Approves eight positions and \$1.6 million for 2026-27 and eight positions and \$1.5 million ongoing from the Occupational Safety and Health Fund to address increased workload and mandated activities within the Division of Occupational Safety and Health (Cal/OSHA).
- Provides \$6.5 million in 2026-27 and ongoing from the Workers' Compensation Administration Revolving Fund for DIR to pay for increased costs for security services provided by the California Highway Patrol.
- Approves seven positions and \$1.3 million in 2026-27, 14 positions and \$2.3 million in 2027-28, and 14 positions and \$2.2 million in 2028-29 and ongoing from the Labor

Enforcement and Compliance Fund to increase the number of judgment referrals enforced by the Labor Commissioner's Office.

- Approves 14 positions and \$2.3 million in 2026-27 and \$2 million in 2027-28 and ongoing from the Occupational Safety and Health Fund, for DIR, to address case backlog and statutory compliance within the Division of Occupational Safety and Health, Bureau of Investigation (BOI).
- Provides 35 positions and \$5.9 million in 2026-27 and 35 positions and \$5.3 million ongoing from the Occupational Safety and Health Fund for DIR to create a centralized complaint and report intake unit to help address the number of complaints, accidents, fatalities, and referrals the Division of Occupational Safety and Health receives.
- Approves 34 positions and \$7.7 million in 2026-27, and 34 positions and \$7.1 million in 2027-28 and ongoing, from the Occupational Safety and Health Fund to continue addressing extreme heat workload and agricultural enforcement and outreach efforts.
- Approves \$12.7 million and 57 positions in 2026-27 from the Workers' Compensation Administration Revolving fund for to help with the Subsequent Injuries Benefit Trust Fund workload. In addition, directs the Department to annually request additional positions based on workload.
- Adopts placeholder trailer bill language regarding the administrations proposed Subsequent Injuries Benefits Trust Fund reform to continue ongoing negotiations with the Department and the Administration.
- Provides \$388,000 in 2026-27 and ongoing from various special funds to support the reclassification of eight existing positions in the Office of the Director, Legal Unit, to increase management and support capacity and establish a new office in Southern California to align with workload needs.
- Provides \$44.1 million one-time in 2026-27 from the Labor and Workforce Development Fund to continue the replacement of the Division of Workers' Compensation's (DWC) aging Electronic Adjudication Management System (EAMS) whose 17-year technology is nearing its end of life. Additionally, DIR requests a reappropriation to extend the encumbrance availability of the unencumbered balance of the amount included in the 2025 Budget Act for the EAMS Project by an additional year, through June 30, 2027, to support project activities.
- Approves \$28.4 million Labor and Workforce Development Fund in 2026-27 to continue the development of the Division of Occupational Safety and Health's information technology system to meet federal and state mandated requirements, consolidate information into a central database/repository, interface to other DIR systems, automate manual processes across its units and support the training, and post go-live assistance needs.

- Approves five positions and \$1.8 million in 2026-27 and \$1.2 million ongoing from the Occupational Safety and Health Fund to research, evaluate, and develop regulations and industry guidance related to rapidly developing workplace technologies, as well as work with employers on experimental variance applications for emerging equipment and technology.
- Includes an extension of \$2.3 million General Fund of existing funds from the 2024 Budget Act with provisional language to extend the encumbrance/expenditure date to align with the liquidation/reversion date of June 30, 2028.
- Adopts placeholder trailer bill language regarding Assessment Payments via Electronic Fund Transfers.
- Adopts placeholder trailer bill language regarding the Division of Workers' Compensation Administrative Director Salary Adjustments.
- Adopts placeholder trailer bill language regarding the Workers Compensation Appeals Board Appeal timeline.
- Provides \$30 million Labor Workforce Development Fund annually, beginning in 2026-27 through 2030-31 to support the California Workplace Outreach Project.
- Provides \$1 million from the Occupational Safety and Health Fund to require the Department of Industrial Relations to contract with the University of California, Berkeley Labor Occupational Health Program and the University of California, Los Angeles Labor Occupational Safety and Health Program to conduct a study of Cal/OSHA field inspector vacancy rates and develop recommendations for the design of a Compliance Safety and Health Officer (CSHO) recruitment and training pipeline program.
- Approves \$9 million Labor and Workforce Development Fund in 2026-27 and ongoing to support the statewide Workers' Rights Enforcement Grant Program administered by the Labor Commissioner's Office in the Department of Industrial Relations.

California Department of Human Resources

- Approves one position and \$214,000 (\$86,000 General Fund, \$84,000 Reimbursements, \$28,000 Central Service Cost Recovery Fund, \$2,000 FlexElect Benefit Fund, and \$14,000 Deferred Compensation Fund) in 2026-27 and ongoing for CalHR to strengthen infrastructure and cloud information security monitoring and operations.
- Approves one permanent position and \$12.3 million in reimbursement authority in 2026-27 and \$12.3 million in reimbursement authority in 2027-28 and ongoing to transition to a new EAP service provider with a more robust and comprehensive model, and to establish a dedicated program manager focused on supporting first responders and their support staff, including employees within California Highway Patrol, the California Department of

Forestry and Fire Protection, the California Department of Corrections and Rehabilitation, the California Department of Parks and Recreation, and other public safety departments.

- Maintains 356.2 vacant FTEs (\$39.8 million Special Fund) at various departments, including 118 FTEs (\$11.6 million Special Fund) at the Department of Industrial Relations, 12 FTEs (\$1.9 million Special Fund) at the Department of Health Care Access and Information, 10 FTEs (\$1.8 million Special Fund) at the Department of Managed Health Care, and one position (\$111,000 Special Fund) at the Department of Tax and Fee Administration.

California Department of Technology

- Approves an extension of the encumbrance period for two General Fund Middle Mile Broadband Initiative (MMBI) appropriations from December 31, 2026, to December 31, 2028.
- Provides \$147,000 General Fund per year for three years (FY 2026-27 through 2028-29) — a total of \$441,000 — to hire external consultants to manage growing workload in its Local Government Domain Services program.
- Approves \$3 million in Technology Services Revolving Fund (TSRF) budget authority in 2026-27 and ongoing for cost recovery of customer-related expenses for integrating and leveraging the digital identity services through the statewide California Identity Gateway platform. In addition, approves CDT to convert one position and \$265,000 of General Fund to TSRF beginning in 2027-28.
- Includes General Fund (GF) budget authority (ongoing) for 1.0 Information Technology Manager II (ITM II) and \$360,000 (one-time) for temp help/consultants in Fiscal Year (FY) 2026-27 to implement Chapter 138, Statutes of 2025 (SB 53).
- Approves an augmentation of \$1 million in Technology Services Revolving Fund (TSRF) in 2026-27 and \$550,000 in 2027-28 and ongoing to modernize the California Technology Agency Billing System (CaTABS), the 20+ year old billing system used by CDT's customers to receive monthly invoices and review billing data and billing reports.
- Provides \$408,000 General Fund (GF) in Fiscal Year (FY) 2026-27 and \$286,000 in FY 2027-28, to support the goals of AB 979 (Irwin, 2025). Funding will support temporary help that will reside within the Security Risk and Governance (SRG) unit.
- Approves an augmentation of \$560,000 dollars in Technology Services Revolving Fund (TSRF) to redirect 5.0 existing positions to address a significant and sustained increase in statewide technology procurement workload related to Generative AI (EO N-12-23), Innovation Procurement (EO N-04-19), and Efficient and Effective Government (EO N-30-25).
- Adopts placeholder trailer bill language regarding the Middle Mile Broadband Enterprise Fund.

- Adopts placeholder trailer bill language regarding the Onboarding of deferred Departments.
- Provides \$1 million from the Technology Services Revolving Fund (TSRF) for Fiscal Year 2026–27 for scale-up and ongoing operation of “Poppy, California’s Digital Assistant.”
- Approves a budget augmentation for lease and facility cost increases to consolidate staff in Rancho Cordova. The request includes Technology Services Revolving Fund (TSRF), General Fund, and Central Service Cost Recovery Fund (CSCRF) components as follows: 2026-27: \$999,000 (\$878,000 TSRF, \$113,000 GF, \$8,000 CSCRF); 2027-28: \$555,000 (\$466,000 TSRF, \$84,000 GF, \$5,000 CSCRF) with annual increases due to lease and security cost increases.
- Approves the addition of budgetary authority to receive reimbursements up to \$25 million from some of its joint build partners. This request is cost-neutral and does not involve new funding. For several of CDT’s Middle Mile Broadband Network (MMBN) projects where construction costs have been shared as part of last mile projects, CDT has initially paid for the full cost of construction and the partners need to reimburse CDT for the partners’ share of these construction costs, per the joint build contract agreements.
- Rejects the Governors May Revision Proposal for Middle Mile Broadband Initiative contingency funding.
- Approves Budget Bill Control Section 11.94 relating to expenditure and allocation authority of the American Rescue Plan Act and Coronavirus Capitol Projects Fund including the following additional language:

"The Director of Finance must increase a California Public Utilities Commission item for last-mile broadband infrastructure by an amount equal to the reduction under this Control Section of Item 7502-001-0001, with such funds being used exclusively for the purpose of last-mile broadband infrastructure; if no item currently exists to allow for such an allocation, an item may be created for this purpose."

Office of Data and Innovation

- Includes provisional budget bill language to extend the expenditure and encumbrance period for the Data and Innovation Services Revolving Fund (DIF) to June 30, 2030, and to authorize Finance to augment the Office of Data and Innovation’s DIF appropriation by the amount of resources available in the fund.
- Approves \$1.25 million in reimbursement authority in 2026-27, and ongoing, and five permanent positions to expand ODI’s integrated model: strengthening pre-procurement research through the Innovation Lab and scaling digital service delivery teams with modern engineering and analytics skills.

Department of General Services

- Approves \$1.5 million Service Revolving Fund in 2026-27 through 2032-33 to acquire two digital inkjet presses.
- Approves \$518,000 one-time in 2026-27, and \$391,000 in 2027-28 and ongoing, from the Property Acquisition Law Money Account, to reconcile and maintain the Statewide Property Inventory with county assessors' real property records.
- Provides an increase and extend limited term authority of \$1.2 million to \$3.3 million in ongoing expenditure authority from the Service Revolving Fund to cover increased vehicle Maintenance and Repair expenses. The request involves \$2.1 million in increased authority in 2026-27 and \$3.3 million ongoing thereafter.
- Approves \$1.4 million from the Public-School Planning, Design, and Construction Review Revolving Fund (Fund 0328) limited-term for 4 years in 2026-27 through 2029-30 and 4 positions to address the increased workload in the Construction Oversight Program.
- Includes an increase and extend limited-term authority scheduled to end in 2025-26 from \$4 million to \$5 million from the Service Revolving Fund in 2026-27 and ongoing to support the increased cost of paper and commodities ordered in response to the extended lead times and reduction in production capacity in the commodities market.
- Rejects \$14,346,000 Public Buildings Construction Fund (lease revenue bonds) in 2026-27 for the preconstruction phase of the 10th and O Streets Reconfiguration project located at 1021 O Street in Sacramento.
- Rejects \$1,292,000 from the Public Building Construction Fund (lease revenue bonds) in 2026-27 for the preconstruction phase of the O Street State Parking Garage project.
- Includes a decrease of \$126,485,000 General Fund ongoing to adjust the amount transferred to the Service Revolving Fund for the Department of General Services' lease revenue debt service payments. The decrease in authority in this transfer item will provide the department with the precise amount of funding to make rental payments for the Clifford L. Allenby, New Natural Resources Headquarters, May Lee State Office Complex, Gregory Bateson, Resources, and Jesse Unruh buildings.
- Adopts placeholder trailer bill language regarding DGS procurement efficiencies.
- Adopts placeholder trailer bill language regarding a technical change for the Capitol Annex Native American Mural.

California Public Employees' Retirement System

- Includes changes to the 2026-27 operational budget of the California Public Employees' Retirement System (CalPERS) that was approved by the CalPERS Board on April 14, 2026. The budget proposed by CalPERS reflects a net increase of \$482,473,000,

primarily attributed to increased administrative and investment operating costs, investment external management fees, and third-party administrator fees.

- Adopts placeholder trailer bill language regarding the Proposition 2 Supplemental Pension Payment.

California Teachers Retirement System

- Provides \$15.3 million in permanent funding for Enterprise-wide strategic support resources. This includes \$5.3 million to establish 31 permanently authorized positions and \$10 million for various information technology (IT) and innovation service contracts.
- Approves \$5.7 million in permanent funding to establish 25 authorized positions for the Investments Branch to enhance CalSTRS' ability to prudently manage our investment portfolio and create value through expanded internal expertise.
- Includes \$6.5 million ongoing to reflect an increase in the state's contributions to the CalSTRS' Defined Benefit Program and Supplemental Benefit Maintenance Account.
- Includes \$1 million one-time, to reflect the state's share of benefit overpayments identified by CalSTRS from the prior fiscal year as required by Education Code Section 24616.2. The adjustment results in an increase of \$1 million as compared to \$0 in the Governor's budget.

California Arts Council

- Provides \$5 Million General fund one-time for cultural investments.

California Privacy Protection Agency

- Provides \$178,000 General Fund and 1.0 position in 2026-27 and \$164,000 in 2027-28 and ongoing to support increased contracts and procurement workload.
- Provides an increase in expenditure authority of \$1.6 million in 2026-27 and \$1.5 million in 2027-28 split between the Data Brokers' Registry Fund and the Consumer Privacy Fund for 6.0 positions to enforce the provisions of the California Consumer Privacy Act and the Delete Act.
- Approves an increase in expenditure authority of \$2.2 million Data Brokers' Registry Fund in 2026-27 and 2.0 positions to address increased costs and workload from the release of the Delete Request Opt-Out Platform (DROP) pursuant to Chapter 709, Statutes of 2023 (SB 362).

Fair Political Practices Commission

- Approves \$211,000 General Fund in 2026-27, \$204,000 in 2027-2028 and ongoing, and 1.0 permanent position to implement the provisions of Chapter 245, Statutes of 2025 (SB

42), with budget bill language that state the funds shall only be available for expenditure to support implementation of Chapter 245, Statutes of 2025 (SB 42) upon voter approval in the November 3, 2026, General Election.

- Approves \$360,000 General Fund in 2026-2027 and \$350,000 in 2027-2028 and ongoing, including \$100,000 AI-detection software annual license fee, and one and a half permanent positions to implement, interpret, enforce, and educate the provisions of Chapter 260, Statutes of 2024 (AB 2355).

Various Retirement, Compensation and Benefits Adjustments

- Includes an increase of \$17.6 million ongoing to reflect increases in health and dental premiums for annuitants.
- Provides for Control Section 3.60 to be decreased by \$2.6 billion ongoing from the \$2.8 billion included in the Governor's Budget. This decrease reflects the following adjustments:
 - A decrease of \$107.2 million ongoing to reflect the changes in state retirement contribution rates (see Attachment 1) for members of California Public Employees' Retirement System (CalPERS), as adopted by the CalPERS' Board of Administration in April 2026. This \$107.2 million decrease consists of a \$66.8 million decrease in General Fund, a \$42.2 million decrease in special funds, and a \$1.8 million increase in other non-governmental cost funds.
 - A decrease of \$2.5 billion in 2026-27 as a technical adjustment to reconcile the set-aside for retirement contribution estimates. This \$2.5 billion decrease consists of a \$1.6 billion decrease in General Fund, a \$600 million decrease in special funds, and a \$317.6 million decrease in other non government cost funds.

PUBLIC SAFETY

Department of Corrections and Rehabilitation

- Provides \$14.6 billion (\$14.2 billion General Fund and \$400 million other funds) for CDCR in 2026-27, of which \$4.2 billion is for healthcare services for incarcerated individuals. This is an increase of \$400 million General Fund compared to Governor's Budget in January.
- Projects the average daily incarcerated population for 2025-26 to be 90,126 and 87,611 in 2026-27. In the longer term, the population is projected to decline to 85,210 by June 30, 2030. Last year's analysis indicated that Proposition 36 was expected to increase CDCR's population by 1,878 in 2025-26 and 3,597 upon broader implementation. More recent projections indicate that the impacts will be lower: 592 in 2025-26 and 1,547 upon full implementation. The number of adult incarcerated individuals 55 and older has grown from 7% in 2010 to 21%, currently more than 19,000 incarcerated individuals.
- Projects the average parolee population to be 33,785 in 2025-26 and is expected to decline to 33,125 in 2026-27. The parole population is projected to decline further to 21,028 by June 30, 2030.
- Reduces the estimated savings from the Boston Consulting Group contract to \$20 million in 2025-26, \$42 million in 2026-27, \$82 million in 2027-28, \$100 million in 2028-29, and \$116 million ongoing in 2029-30. Also includes additional ongoing annual savings of \$100 million General Fund beginning in 2027-28 and reporting language proposed in May Revision and an additional \$150 million in unallocated annual reductions beginning in 2026-27. The 2025 Budget Act assumed savings of \$125 million in 2025-26, growing to roughly \$1 billion annually by 2028-29.
- Includes the closure of a prison to be announced by November 1, 2026, and scores \$75 million General Fund savings in 2027-28 and \$150 million ongoing thereafter.
- Includes \$20 million one-time General Fund for the RIGHT 4.0 Grant to support non-profit community based rehabilitative programming in CDCR
- Includes the following additional savings: \$1.1 million in 2026-27 due to the delayed activation of the Mental Health Crisis Facility at the California Institution for Men; and the elimination obsolete parole workload positions resulting in ongoing savings of \$6.2 million beginning in 2026-27.
- Includes savings of \$9.7 million General Fund 2026-27 and \$12.6 million in 2027-28 and ongoing as a result of the deactivation of housing units at California State Prison Solano and Avenal State Prison and a reactivation of different housing units at Avenal State Prison and a facility at the California Institution for Men and rejects the establishment of a single cell "honor housing unit" at Corcoran State Prison.

- Includes \$33.9 million from the Mental Health Special Deposit Fund to establish the Office of the Mental Health Receivership to address deficiencies and violations identified in the *Coleman* lawsuit and reporting.
- Includes \$6.4 million from the Special Deposit Fund (SDF), \$5.2 million General Fund, and \$1 million Behavioral Health Services Act Funding (BHSAF), and 26 positions in 2026-27; \$39.1 million SDF, \$5.1 million General Fund, \$2.6 million BHSAF, and 26 positions in 2027-28; \$9.9 million SDF, \$26.8 million General Fund, \$2.6 million BHSAF, and 26 positions in 2028-29; and \$40.2 million General Fund in 2029-30 and ongoing to expand the use of internships and other training programs for mental health clinicians, and augment various mental health and administrative positions to promote the hiring and retention of mental health clinicians (Mental Health Receiver Staffing).
- Includes \$3.6 million General Fund, \$1.2 million Behavioral Health Services Act Funding (BHSAF), and 18.9 positions in 2026-27, and \$7.3 million General Fund, \$1.2 million BHSAF, and 37.8 positions in 2027-28 and ongoing to expand the use of Mental Health Resource Teams to expand the existing three teams at California State Prison Sacramento, Salinas Valley State Prison, and San Quentin Rehabilitation Center to an additional three teams in 2026-27 and three additional teams in 2027-28 for a total of nine Resource Teams statewide.
- Includes \$7.4 million General Fund and 36 positions in 2026-27 and ongoing to pilot the use of Mental Health Crisis Intervention Teams at three prisons, two male and one female, to allow assessment of an emergency physically closer to the source of the stressor to allow staff to address concerns that could otherwise lead to or have led to self-harm and suicidal behavior.
- Includes \$8.9 million General Fund and 69 positions in 2026-27, 119 positions and \$13.5 million in 2027-28, and \$12.8 million in 2028-29 and ongoing to support the use of tele-mental health services.
- Includes \$10 million General Fund in 2026-27 to finalize implementation of audio video surveillance systems at two remaining prisons.
- Includes \$15.8 million (\$5.2 million General Fund and \$10.6 million in reimbursement authority) in 2026-27, and \$13.3 million (\$2.6 million General Fund and \$10.6 million in reimbursement authority) in 2027-28 and ongoing to implement Chapter 681, Statutes of 2025 (AB 247).
- Includes \$10.9 million ongoing General Fund to address projected increases in food costs for the incarcerated population resulting from recent statutory changes that require CDCR to procure 60 percent of food from within California and a change to the methodology of future food cost adjustments that incorporates the cost of statutory requirements and actual food costs.

- Includes \$23.1 million one-time General Fund in 2026-27 for the construction of Americans with Disabilities Act accessibility improvements at eight designated institutions.
- Includes \$7.2 million General Fund and 34 positions in 2026-27, decreasing to \$5.6 million in 2030-31 and ongoing to regionalize and augment CDCR's Return to Work Coordinator staffing.
- Includes \$14.6 million General Fund in 2026-27, and \$12.2 million in 2027-28 and ongoing, to fund one-time purchases of medical supplies and adjust the Subsistence and Personal Care budget to reflect actual costs.
- Includes \$8.9 million General Fund and 60.6 positions in 2026-27 and ongoing to address increased medical appointments and medication administration (Medical Classification Model Adjustment).
- Includes a net-zero shift of \$11.8 million in 2026-27, and \$7.2 million in 2027-28 and ongoing, from General Fund to reimbursement authority to allow the department to collect additional pharmaceutical reimbursements tied to the California Advancing and Innovating Medi-Cal Justice Involved Initiative.
- Includes \$2.2 million General Fund in 2026-27, \$2.2 million in 2027-28, and \$4.5 million in 2028-29 and ongoing to provide resources to add artificial intelligence notetaking functionality within CDCR's electronic health record system. Includes reporting.
- Includes \$1.1 million General Fund in 2026-27 to improve access to menopause education and clinical care for aging incarcerated women.
- Includes \$90.1 million one-time General Fund for "lump sum payments" to pay accrued leave balances to employees upon retirement or separation from state services which historically the department has absorbed and reporting.
- Includes \$450,000 ongoing General Fund for the operational needs and training requirements of the California Sex Offender Management Board and State Authorized Risk Assessment Tools for Sex Offenders and reporting.
- Includes a reduction of \$90.7 million General Fund and 521.8 positions and an increase of \$53,000 Inmate Welfare Fund in 2026-27, and a reduction of \$138.1 million General Fund and 778 positions and an increase of \$91,000 Inmate Welfare Fund in 2027-28 and ongoing to reflect the closure of California Rehabilitation Center.
- Includes \$15.2 million one-time General Fund in 2026-27 for overtime payments for staff to patrol for fires and reappropriation of prior year funding to complete various fire alarm projects.

- Includes \$5.3 million General Fund in 2026-27, \$11.4 million in 2027-28, \$12.4 million in 2028-29, \$13.3 million in 2029-30, and \$14.3 million in 2030-31 to increase contract rates for post-release reentry programs.
- Includes \$78.5 million General Fund over the next five years for seven projects to address fire and life safety upgrades and \$9.2 million General Fund for potable water projects at the California Health Care Facility, Valley State Prison, and the Correctional Training Facility.
- Provides \$1.2 million General Fund in 2026-27, growing to \$1.5 million in 2029-30 and ongoing to support the Board of Parole Hearings' information technology system (BITS) contract.
- Includes \$1.2 million General Fund and one position in 2026-27 and ongoing to continue an existing tattoo removal program.
- Includes a reappropriation of \$2 million from the 2025 Budget Act to reduce reception center processing timelines.
- Includes \$391,000 General Fund in 2026-27 and \$241,000 in 2027-28 to implement SB 245 (Reyes), Chapter 746, Statutes of 2025 related to record expungement for incarcerated firefighters.
- Includes \$3.4 million in increased utilities costs.
- Includes \$100 million one-time General Fund for increased workers' compensation costs.
- Includes \$5 million ongoing General Fund beginning in 2026-27 for the Anti-Recidivism's Hope and Redemption Team (HART).

Local Public Safety and Board of State and Community Corrections

- Includes 11 new proposed position authority to the BSCC for the administration of various state and federal grants.
- Estimates \$89.1 million in Proposition 47 savings for 2026-27 for grants to support recidivism reduction, mental health, substance use disorder, truancy and dropout prevention, and victims' programs.
- Estimates \$132.2 million General Fund in 2026-27 for the Community Corrections Performance Incentive Grant.
- Includes a reappropriation of funding originally provided in the 2018 Budget Act and reappropriated in the 2023 Budget Act for the Adult Reentry Grant.

- Moves a proposed new \$10 million one-time General Fund for a competitive Vertical Prosecutor grant program aimed at preventing human trafficking from the BSCC to an existing grant program for the same purpose under the Office of Emergency Services.
- Includes \$15 million General Fund in 2026-27 and ongoing thereafter for the Missing and Murdered Indigenous People Grant Program.
- Includes \$56.4 million for the Gun Violence and Prevention and School Safety Fund in 2025-26 and \$51.9 million in 2026-27 for CalVIP, pursuant to Chapter 231, Statutes of 2023 (AB 28).
- Includes \$5.5 million one-time General Fund in 2026-27 to support the implementation of the Home After Harm program at women's prisons.
- Includes \$20,000 for the Vital Intervention and Directional Alternatives (VIDA) program to support youth diversion.
- Includes \$6 million to the Sister Warriors Freedom Coalition to address sexual abuse, violence, and retaliation in women's prisons.

Judicial Branch

- Provides \$5.3 billion (\$3.3 billion General Fund and \$2 billion other funds) in 2026-27 for Judicial Branch operations, of which \$3 billion will support trial court operations.
- Includes a \$70 million ongoing General Fund augmentation for trial court operations and \$21.7 million ongoing General Fund for trial court employee health benefits and retirement costs.
- Includes \$20 million Trial Court Trust Fund annually in 2026-27 and 2027-28 to address rising court interpreter costs and support language access and interpreter services in all case types in the trial courts.
- Includes \$20 million one-time General Fund for the Court Appointed Special Advocates (CASA) Program, \$24 million for the Equal Access Fund and \$6 million for the Access to Justice Commission. Increases the administrative rate for the Access to Justice Commission's grant process from 2.5 percent to 3 percent.
- Excludes a proposal to increase the administrative rate for the Equal Access Fund from 2.5 percent to five percent.
- Includes \$4.25 million General Fund per year from 2026-27 through 2029-2030 to support the implementation of SB 820 (Stern), Chapter 330, Statutes of 2025.
- Includes \$1.6 million Appellate Court Trust Fund annually in 2026-27 through 2029-2030 to continue resources for appellate court security previously funded on a limited term basis.

- Includes \$31 million General Fund in 2026-27 and \$46 million in 2027-28 and ongoing to backfill a projected shortfall in the State Court Facilities and Construction Fund to maintain existing service levels.
- Includes \$20.6 million General Fund for new courts rooms in San Joaquin, Kings, and Sutter counties for their previously approved new judgeships.
- Includes \$6.3 million General Fund to build out six courtrooms and associated pace at the Chatsworth Courthouse.
- Includes \$1.5 million General Fund for the Performance Criteria phase of the New Nevada City Courthouse in Nevada County.
- Includes \$2.3 million General Fund for the Performance Criteria phase of the New Quincy Courthouse in Plumas County.
- Includes \$320.3 million Lease Revenue bond Authority for the Design-Build phase of the New San Luis Obispo Courthouse in San Luis Obispo County.
- Includes \$36 million General Fund in 2026-27 and \$35 million in 2027-28 to complete the ongoing facility modification for Fire, Life, Safety upgrades at the Central Justice Center in Orange County and various net-zero technical realignments related to this item.
- Includes \$11 million General Fund in 2026-27 and ongoing to increase the hourly rate of appointed counsel by \$25 at the Supreme Court and Courts of Appeal to represent indigent appellants. This is in addition to the \$6.3 million ongoing General Fund that was included in the 2025 Budget Act for this same purpose.
- Includes \$5.2 million Appellate Court Trust Fund in 2026-27 and \$4.9 million in 2027-28 and ongoing to continue supporting Courts of Appeal workload and a technical realignment of position and expenditure authority related to this item.
- Includes \$4.6 million one-time General Fund in 2026-27 to support the relocation of 17 courtrooms and operations from the Spring Street Courthouse in Los Angeles, as a result of divestment by the federal government.
- Includes reappropriation of \$6 million until June 30,2028 for the continued operation of the Firearms Relinquishment Grant program which was originally funded in the 2022 Budget Act.
- Includes \$9.8 million ongoing General Fund to reduce the state retirement contributions to the Judges' Retirement System II based on the contribution rate set by CalPERS.
- Reappropriates \$2.1 million from the 2023 Budget Act to provide legal counsel in capital Racial Justice Act cases of which \$750,000 would be provided to the California Appellate Project.

- Includes \$150 million one-time General Fund in 2026-26 for courthouse deferred maintenance.
- Includes \$250 million one-time General Fund in 2026-27 for courthouse construction funding (\$170 million) and construction related to accommodating new judgeships (\$80 million) and \$3 billion lease revenue bond authority for courthouse construction projects pursuant to the Reassessment of Trial Court Capital Outlay Projects adopted by the Judicial Council on November 14, 2019 as updated in the Judicial Branch Five-Year Infrastructure Plan for 2029-27 which was adopted by the Judicial Council on July 18, 2025.
- Includes \$20 million one-time General Fund in 2026-27 and \$44 million ongoing thereafter to fund new judgeships as authorized by Chapter 482, Statutes of 2023.
- Includes \$50 million one-time General Fund for Proposition 36 in 2026-27.

Office of Inspector General

- Includes \$275,000 General Fund in 2026-27 and ongoing to fund two positions in 2026-27 and ongoing to address the increased workload of the Intake Processing Unit.
- Restores \$4.3 million General Fund in 2026-27 and ongoing to restore the baseline reduction to the Office of Inspector General.

Victims Compensation Board

- Includes \$12.5 million in one-time General Fund in 2026-2027 for Trauma Recovery Centers.

Law Revision Commission

- Includes \$945,000 one-time General Fund for the Committee on Revision of the Penal Code for crime data and research with the California Policy Lab.

Department of Justice

- Provides \$1.4 billion, including \$514.2 million General Fund, to support the Department of Justice.
- Includes \$1.2 million in 2026-27 and ongoing to enforce the requirements of the California AI Transparency Act (AB 853, Wicks).
- Includes \$1.2 million General Fund in 2026-27 and \$259,000 ongoing and one position to implement SB 704 (Arreguin), Chapter 591, Statutes of 2025 related to firearm barrels.

- Includes \$238,000 General Fund in 2026-27 and \$229,000 General Fund in 2027-28 to implement the requirements of SB 580 (Durazo), Chapter 670, Statutes of 2025.
- Provides \$175,000 General Fund and one position in 2026-27 and \$167,000 in 2027-28 and ongoing to address the increased victim services requirements outlined in SB 50 (Ashby), Chapter 676, Statutes of 2025.
- Includes \$14.3 million Special Funds in 2026-27, declining to \$10.5 million in 2029-30 to address an anticipated increase in antitrust workload. The 2023 Budget Act included \$8 million annually for this effort.
- Includes \$320,000 Attorney General Antitrust Account Fund in 2026-27 and \$576,000 ongoing to support the increased workloads resulting from implementation of SB 25 (Umberg), Chapter 3, Statutes of 2026.
- Includes \$16.2 million (\$4.1 million False Claims Act Fund and \$12.1 million Federal Trust Fund) to accept a federal grant award from the Office of Inspector General to support expanded investigations, enforcement activities, and prosecutions related to Medi-Cal fraud and elder abuse.
- Includes \$10.8 million ongoing Legal Services Revolving Fund to maintain current services levels and address increased demand for legal services from client agencies.
- Includes \$2.2 million one-time General Fund to provide DOJ with resources to resolve 27 existing cases related to organized retail criminal investigations stemming from the original funding provided in the 2022 Budget Act.
- Includes \$4.3 million Fingerprint Fees Account in 2026-27, \$5.5 million 2027-28, and \$1.1 million in 2028-29 and ongoing to upgrade biometric identification systems to cloud-based infrastructure.
- Includes \$260,000 Registry of Charities and Fundraisers Fund in 2026-27 and \$251,000 in 2027-28 and ongoing to manage the registry's upgraded infrastructure, provide technical support to end users, and assist with hardware, software, data management, and reporting.
- Includes an additional \$10 million one-time General Fund (from the one-time funds appropriated in the 2024 Budget Act) in 2025-26 and \$10 million new General Fund in 2026-27 and \$10 million in 2027-28 for increased workload related to defending the state against unlawful federal actions. Adjusts ongoing funds previously authorized in the 2025 Budget Act to limited term through 2028-29. Includes a new Control Section 5.27 to extend the availability of up to \$7.4 million for the purposes of defending the state against enforcement and legal actions taken by the federal government with notification to the Joint Legislative Budget Committee and various reporting requirements.
- Includes \$11.2 million one-time General Fund in 2026-27 for DOJ to continue the Firearms IT Systems Modernization Project.

- Provides \$8 million General Fund in 2026-27 through 2028-29 to maintain the current service level for activities funded by the Dealers' Record of Sale Special Account.
- Includes \$1.1 million Unfair Competition Law Fund and 3 positions in 2026-27 and ongoing to conduct investigations against illegal online and app-based gambling operations.
- Includes \$2.2 million General Fund and 8 positions in 2026-27 and \$2.1 million ongoing for the implementation of SB 53 (Wiener), Chapter 138, Statutes of 2025.
- Includes \$595,000 Unfair Competition Law Fund in 2026-27 and \$581,000 ongoing thereafter and two positions to implement the requirements of AB 56 (Bauer-Kahan), Chapter 671, Statutes of 2025.
- Includes \$91,000 Unfair Competition Law Fund and one position in 2026-27 and \$162,000 ongoing to implement SB 694 (Archuleta), Chapter 1, Statutes of 2026.
- Includes \$883,000 Public Rights Law Enforcement Fund and 3 positions and \$858,000 ongoing to support the implementation and enforcement of SB 41 (Wiener and Wahab), Chapter 605, Statutes of 2025.
- Includes \$2.7 million General Fund in 2026-27 and \$2.6 million in 2027-28 through 2029-2030 to implement the requirements of AB 1071 (Kalra), Chapter 721, Statutes of 2025.
- Includes \$3.9 million General Fund in 2026-27 through 2028-29 to support continued legislative workload associated with SB 775 (Becker), Chapter 551, Statutes of 2021.
- Includes a reappropriation of \$2.1 million for DOJ to process a backlog of arrest disposition reports and a reappropriation of \$1.3 million for DOJ's continued transition to FI\$Cal.

State Public Defender

- Includes \$2.1 million General Fund in 2026-27 and \$2 million in 2027-28 and ongoing to continue implementation of the AB 256 (Kalra), Chapter 739, Statutes of 2022.
- Includes \$5 million General Fund in 2026-27 to implement an indigent defense pilot in four counties.

Commission on Peace Officers Standards and Training

- Includes a realignment of funding authority within POST's budget related to the implementation of SB 2 (Bradford), Chapter 409, Statutes of 2021, and reduces funding to \$2 million ongoing to right-size with actual program implementation costs.

Military Department

- Includes \$15 million General Fund in 2026-27 and \$15 million in 2027-28 to further expand the Military's existing drug interdiction efforts to address drug trafficking by transnational criminal organizations.
- Includes \$3.6 million (\$950,000 million General Fund, \$1.64 million Federal Trust Fund, \$55,000,000 Behavioral Health Services Fund, and \$120,000 reimbursement) in 2026-27 and ongoing to align the pay and allowances of its State Active Duty services members to those service members of similar grade in the federal armed forces
- Includes \$1.9 million ongoing General Fund to address annual salary adjustments for existing positions and resources to support increased costs of disability leave associated with Task Force Rattlesnake.
- Includes \$25 million in additional Federal Trust Fund spending authority for the Military Department's facilities program and a new utility baseline of \$2.41 million General Fund.
- Includes \$2.75 million one-time General Fund for a state match to address various deferred maintenance repairs at the armories in Fresno-Dakota, Oroville, San Diego, Azusa, Lancaster, and Long Beach.
- Includes an extension of a liquidation period for \$50,000 to June 30,2028.
- Includes \$7.81 million Armory Fund for the preliminary plans phase of the Las Alamito Battalion Headquarters Readiness Center.
- Includes \$2.76 million one-time General Fund to complete three roof replacement projects at the Inglewood, Roseville, and Santa Ana armories.
- Includes one-time \$4.98 million Federal Trust Fund authority to support emergency power generation and electrical system repairs at Channel Islands Air National Guard Station.

Office of Emergency Services

- Approves \$12.5 million General Fund (\$4.1 million one-time) and 11 positions in 2026-27, and \$9.1 million (\$709,000 one-time) in 2027-28, and \$8.4 million ongoing to open and operate the Southern Emergency Operations Facility. The new facility will be sufficiently staffed to support increased coordination, communication and collaboration with partner agencies throughout the state and the southern region for both emergency and non-emergency events.
- Approves \$141.9 million State Emergency Telephone Number Account Funds one-time increase to support the implementation of the Next Generation 9-1-1 system, with ongoing maintenance and support. Also, includes provisional language making expenditure contingent on enactment of legislation in the 2026 Legislative Session that authorizes the uses of these funds.

- Approves \$80 million General Fund ongoing for the Nonprofit Security Grant Program to provide funding support for target hardening and other security enhancements to nonprofit organizations that are at high risk for violent attacks and hate crimes due to ideology, beliefs, or mission.
- Approves \$10 million General Fund one-time to help human trafficking victims recover from the trauma they experienced and assist them with reintegrating into society.
- Approves \$10 million General Fund one-time to support the Human Trafficking Prevention Vertical Prosecution Program established in Section 13849 of the Penal Code.
- Approves \$50 million General Fund one-time for the Victims of Crimes Act (VOCA) grant program to address the federal VOCA funding gap and maintain the current service levels.
- Approves \$717,000 General Fund in 2026-27 and \$463,000 in 2027-28 to create the California Artificial Intelligence Cybersecurity Collaboration Playbook, pursuant to statute, to facilitate information sharing across cyber and AI communities, strengthening cyber defenses against emerging threats.
- Approves \$618,000 General Fund and two positions in 2026-27 and ongoing to establish a mechanism to be used by a frontier developer or the public to report critical safety incidents and a mechanism to confidentially submit summaries of assessments of potential catastrophic risk resulting from the use of frontier models (artificial intelligence systems), as mandated by Chapter 138, Statutes of 2025 (SB 53, Wiener). Cal OES must report findings of critical incidents to the Legislature by January 1, 2027, and annually thereafter.
- Approves \$668,000 General Fund in 2026-27 and ongoing to support cities and counties updating Emergency Operations Plans with procedures for the rescue, reunification, and temporary holding of household pets during and after evacuations, pursuant to Chapter 695, Statutes of 2025 (AB 478, Zbur).
- Adopts provisional language authorizing augmentation within the Budget Act for Emergency Management Assistance Compact reimbursements from other states due to a disaster which will help resolve processing delays.
- Approves \$3,957,000 one-time Federal Trust Fund authority for the State and Local Cybersecurity Grant Program. This program awards grants to eligible entities to address cybersecurity threats and risks to information systems owned or operated by, or on behalf of, state, local, or tribal governments.
- Provides \$400,000 increase in expenditure authority from the State Assistance for Fire Equipment (SAFE) Account to support apparatus replacement. This increase in expenditure authority allows for the repair, refurbishment, and inspection of fire apparatus to be sold to fire department throughout California.

- Approves the use of distributed administration funding generated from 2026-27 budget proposals for 3 permanent positions to provide a continuity of operations for an increase in administrative support activities.
- Approves \$5 million one-time increase in expenditure authority to support the operational observer of covered utilities' workload to mitigate wildfire risks and public safety power shutoff events until March 31, 2027.