



**TO:** Monterey County Legislative Committee

**FROM:** Ashley S. Walker, Senior Policy Advisor, Nossaman LLP

**DATE:** February 9, 2026

**RE:** State Legislative Program: Advocacy Update – AGENDA ITEM #

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### State Report

1. Receive Reports, provide direction, and consider positions and/or recommendations to the Board of supervisors on:
  - a. **Status of the Legislature:** The second year of the two-year Legislative Session resumed on January 5. The first week back to session was quite busy, with a State of the State Address, and the Governor's January Budget proposal announcements.

Two-year bills are eligible to move forward again this year, and the bill introduction deadline for new legislation is February 20. Bills that did not pass through the first house during the first year of the session had until January 16 to be passed by the assigned policy committee(s), and until January 31 to be passed by the first house, to remain active. On the other hand, bills that have already passed through the first house will have more time to move through the process.

Senate Pro tem Monique Limón resumed her new leadership role and made changes to Senate Committee membership. Of note, Senator Laird is now the Senate Budget Committee Chair.

- b. **Governor's January State Budget Proposal:** The Governor released his FY 2026-27 State Budget Proposal on January 9. The proposal outlines \$348.9 billion in spending for the fiscal year. The Governor's budget notes a benefit from a welcome surge in state revenues in 2025 that reflects a boost in the overall revenue outlook. Today's budget is \$42.3 billion higher than was projected in the 2025 budget. This was largely driven by personal income tax receipts.

The Governor's budget forecast higher than the Legislative Analyst's Office (LAO) projection by \$28.9 billion or 4.7 percent. LAO incorporated a significant risk of a stock market downturn in its forecast. The Governor's forecast does not assume that risk.

It is important to note that this budget proposal represents the beginning of negotiations with the Legislature about a spending plan. The Governor will release a May revision in mid-May, and the Legislature will pass a final budget in June.

Some specific proposals of interest to the County include:

- HHAP Funding: Proposes a \$500 million reduction of Round 7 of HHAP.

- IHSS: Proposes to remove the State's share of costs for IHSS hours per case growth.
- Proposition 4: Proposes the allocation of over \$2 billion in funding from Proposition 4 for various climate related programs.
- Proposition 36: Does not propose any new funding for counties to implement Proposition 36.

i. **CSAC Budget Letters:** CSAC is requesting the counties submit budget letters to the Governor and the Legislature outlining concerns with various proposals. These are attached for consideration by the Legislative Committee.

c. **Legislation:** Below are suggested positions for the Legislative Committee's consideration.

ii. **AB 35 (Alvarez): Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024: Administrative Procedure Act: exemption: program guidelines and selection criteria.** This bill would exempt Proposition 4 spending from the Administrative Procedure Act (APA). Exempting Proposition 4 funding from the APA is consistent with long standing precedent for natural resource bonds, including Proposition 84 and Proposition 68. Full exemption would enable funds to be deployed more quickly and efficiently, ensuring that protracted administrative processes do not hold up vital community projects.  
*Suggested Position: Support.*  
*CSAC Position: Support.*

i. **SB 299 (Cabaldon): California Environmental Quality Act: exemption: day care center: family daycare home: zoning.** This bill expands a recently-enacted CEQA exemption for day care centers to projects located in residential areas.  
*Suggested Position: Support.*  
*CSAC Position: Support.*

ii. **SB 747 (Wiener): Civil rights: deprivation of federal constitutional rights, privileges, and immunities.** This bill creates the No Kings Act and establishes a meaningful cause of action for the violation of one's constitutional rights by a government official, including recovery of fees and costs, with retroactive application.  
*Suggested Position: Support.*  
*CSAC Position: No position.*

d. **CSVs Request that Speaker Rivas form a Select Committee to Investigate the ICE Raids in California:** Clinica de Salud del Valle De Salinas (CSVs), an FQHC health clinic system that serves farmworkers and other low income county residents, are requesting support to request that Speaker Rivas form a Select Committee to Investigate the ICE Raids in California to monitor and compile data on ICE raids in our state and its impact on our communities and state overall. Supervisor Alejo requested this be placed on the Legislative Committee's agenda for discussion.

e. **Governor's Actions and Executive Orders:**

- January 6 – Governor Newsom announces housing push to keep survivors in their communities.

- January 6 – Governor Newsom announces proposed effort to close insurance gaps for LA fire survivors, expands mortgage relief.
  - a. **State Bill/Issues Track:** See attached.