

 **NOSSAMAN** LLP | Memorandum

**TO:** Monterey County Legislative Committee

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

**DATE:** May 11, 2026

**RE:** State Legislative Program: Advocacy Update – **AGENDA ITEM #4**

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**State Report - Presenters: Ashley Walker (Nossaman LLP)**

1. Receive reports, provide direction, and consider positions and/or recommendations to the Board of Supervisors on:
  - a. **Status of the Legislature:** The legislature passed its deadline for bills to move out of policy committees and into fiscal committees this month. Most bills with impacts on the state's general fund are being taken up in their respective appropriations committees where they are being placed on the suspense file. Bills with no fiscal impact are headed for floor votes. May 15<sup>th</sup> marks the deadline to dispense with the suspense file.
  - b. **Update on the State Budget:** The May revise will be released sometime this week, and it is anticipated revenues are up from the January budget proposal. The legislature has spent the past few months discussing and debating budget priorities, and laying the groundwork for final budget negotiations. The Senate released their 2026-27 budget priorities document, but it was fairly broad in nature.
    - i. **H.R. 1 Budget Request:** Counties have collectively developed a reasonable multi-year request for state funding of \$1.9 billion in 2026-27 and \$4.5 billion in 2027-28 to address these impacts. The Assembly and Senate have both held hearings to discuss H.R. 1 and how to help mitigate impacts.
    - ii. **Fort Ord Dunes State Park:** We are monitoring the release of the May Revise to evaluate the opportunities for the request by the Department of Parks and Recreation for \$1 million from Proposition 68 for a new campground and beach access project at Fort Ord Dunes State Park.
    - iii. **AB 1869 Implementation:** This bill was a budget trailer bill that was passed and signed, and repeals various criminal administrative fees. The bill appropriated \$50,000 from the General Fund in the 2020-21 FY to begin implementation, and then appropriated \$65 million annually from the General Fund beginning in the 2021-22 FY to the 2025-26 FY, to backfill revenues lost from the repeal of these fees. Supervisor Alejo requested to discuss advocacy around this issue.
    - iv. **Central Coast Community Resilience Hubs Accelerator State Budget Request:** The County was asked to consider signing on to a Central Coast coalition letter supporting the proposed \$3 million FY 2026–27 budget allocation for the Central Coast Community

Resilience Hub Accelerator. This proposal provides critical technical assistance and capacity funding to help move identified resilience hub projects—from community centers to schools and other trusted facilities—into shovel-ready implementation. It is designed to ensure that Central Coast community-based organizations and local jurisdictions have the support needed to access and deploy state climate resilience funding effectively.

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

**i. AB 1638 (Ta) County veterans service officers: additional resources.**

This bill would provide a stipend to counties hosting an active U.S. military base, contingent on legislative appropriation, to fund a county veterans service officer presence, at least part time, at each such base, subject to base approval.

Suggested Position: Support.

CSAC Position: No position.

**ii. AB 2099 (Gonzalez) Advertising displays: customary maintenance.**

This bill would authorize, as part of customary maintenance, an activity performed for the purpose of maintaining an advertising display in its existing physical configuration, including, but not limited to, replacing structural members and using stronger materials, as specified.

Suggested Position: Oppose.

CSAC Position: No position.

**iii. AB 2203 (Tangipa) Public postsecondary education: priority registration: veterans and dependents of veterans: federal GI Bill.**

This bill would require CSU and community college districts, and request UC, to grant priority enrollment to students receiving fee waivers or using federal GI Bill benefits, beginning with the 2028–29 academic year.

Suggested Position: Support.

CSAC Position: No position.

**iv. SB 1055 (Laird) Pajaro Regional Flood Management Agency: contracts.**

This bill would authorize the Pajaro Regional Flood Management Agency to use alternative project delivery methods, including Job Order contracting, through January 1, 2035, with contracts awarded on a best value or lowest responsible bidder basis and subject to specified procedural requirements, cost estimate obligations, and contract value limits.

Suggested Position: Support.

CSAC Position: No position.

**v. SB 1327 (Reyes) Weights and measures: electric vehicle supply equipment: state authority.**

This bill would require the State Energy Commission to adopt consumer protection regulations for electric vehicle supply equipment accuracy by July 1, 2027, and would shift oversight of EV charger weights and measures from the existing secretary-administered framework to the commission's regulatory regime upon adoption of those

regulations, including authorizing county sealers to test and certify EV supply equipment in conformance with commission standards.

Suggested Position: Oppose.

CSAC Position: No position.

**vi. SB 1407 (Archuleta) Personal Income Tax Law: exclusions: military retirement pay: survivor benefit pay.**

This bill would expand existing personal income tax exclusions for military retirement pay and DoD Survivor Benefit Plan annuity payments by raising the eligible income cap from \$20,000 to \$80,000, indexing the taxpayer income limitations to inflation, and extending both exclusions through taxable year 2037.

Suggested Position: Support.

CSAC Position: No position.

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

- Governor Newsom announced new projects funded by the state's Behavioral Health Continuum Infrastructure Program (BHCIP), and Bond BHCIP grants funded through Proposition 1.
- Governor Newsom urged insurance companies to quickly and fairly process pending claims for LA recovery survivors after the state announced the largest insurance enforcement action in a century against State Farm.
- The Governor celebrated the launch of the California Independent System Operator's (CAISO) Extended Day-Ahead Market, a new regional energy market designed to reduce customer costs, strengthen grid reliability, and deliver billions in economic benefits across the West.
- Governor Newsom announced 180 new affordable homes opening in Santa Monica, funded through Cap-and-Invest.
- Governor Newsom Announced the completion of Project Nexus — a \$20 million pilot project in the Central Valley that places solar panels over canals.
- The Governor's office announced that the Delta Stewardship Council had approved the Delta Conveyance Project's certification of consistency, an important step towards final permitting.
- Governor Newsom proclaimed a state of emergency to support recovery efforts for five severe weather events earlier that caused significant damage in Imperial County, Santa Barbara County, Santa Cruz County, Mendocino County, Sonoma County, Ventura County, and the City of Arcata.
- Governor Newsom proclaimed a special election in Congressional District 14, for the replacement of the seat vacated by Congressman Eric Swalwell.
- The Governor announced that commercial fishing of ocean salmon is resuming for the first time since 2022.
- Governor Newsom this month announced \$145.4 million in HHAP funding to help eight California regions reduce homelessness.

**e. State Bill/Issues Track: See attached.**