

 **NOSSAMAN** LLP | Memorandum

TO: Monterey County Legislative Committee

FROM: Ashley S. Walker, Senior Policy Advisor, Nossaman LLP
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DATE: June 8, 2026

RE: State Legislative Program: Advocacy Update – **AGENDA ITEM NO. 4**

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:** At the end of May the Legislature passed its deadline to move bills out of the first house and into the second house. This week policy committees are beginning to take up legislation while some bills are awaiting committee referrals at the Assembly/Senate desk. This starts a month of policy deliberations as all legislation needs to be heard and voted out of policy committee by July 2nd. That day marks both the deadline for bills to move out of policy committee and the start of Summer Recess for the members.
 - b. **Update on the State Budget:** The May Revise was released mid-May and the legislature quickly responded. Both the Senate and Assembly held hearings on the proposed changes in the May Revision and by June 1 both had released their detailed response to the Governor. This marks the most intense phase of budget negotiations as cards are on the table and the finalized budget needs to be passed and to the Governor by June 15. The Governor then has until the beginning of the fiscal year on July 1 to sign it.
 - i. **H.R. 1 Budget Request:** As of June 1, the summary of the Senate and Assembly state budget proposals related to H.R. 1 impacts are outlined below. This was taken from CSAC.

Item	Updated County Request	May Revision	Senate Plan	Assembly Plan
Indigent Care	\$50M in 2026-27, \$462M in 2027-28 for a state-funded, emergency services only program.	No Funding	No Funding	\$250M over two years for an emergency services only program.
Public Hospital System Support	\$500M in 2026-27, \$850M in 2027-28	No Funding (1)	No Funding (2)	\$250M in 2026-27
County Eligibility – CalFresh	\$103M in 2026-27, \$58 million 2027-28	\$30M one-time increase in 2026-27; \$119M reduction in 2026-27 from caseload	\$89M total increase (reflecting increase above MR one-time funding and caseload reduction) in 2026-27; \$58M increase in 2027-28	\$103M total increase (\$72.8M above MR; rejects \$119M caseload decrease) in 2026-27; multi-year spending authority
County Eligibility – Medi-Cal	\$197M in 2026-27; \$367M in 2027-28	\$57.2M one-time increase in 2026-27	\$197M total increase (\$139.6M above MR) in 2026-27; \$367M increase in 2027-28	\$197M total increase (\$139M above MR) in 2026-27
County Behavioral Health	\$224M in 2026-27, \$828M in 2027-28	No Funding	No Funding	No Funding

Notes:

(1) – The May Revision includes \$50M to provide short-term support for hospitals in immediate and significant financial distress.

(2) - The Senate Plan includes \$200M for additional loans under the Distressed Hospital Loan Program. This program excludes large health systems with multiple hospitals.]

ii. **Fort Ord Dunes State Park:** The May Revision include a Budget Change Proposal from the Department of Parks and Recreation (Department) requesting \$3,591,000 General Fund in fiscal year 2026-27 to support operations at the new Fort Ord Dunes State Park campground. They also request funding in the next two outyears. This request includes resources to support 14 permanent positions, 13 temporary help positions, vehicles, and equipment. We are monitoring the inclusion of these funds in the final enacted budget.

iii. **Scenic Road Protective Structure (SRPS):** We were alerted the County did not receive grant funding through the Hazard Mitigation Grant Program for this project. We alerted our delegation and requested \$1.8 million for pre-construction costs. We are monitoring the inclusion of these funds in the final enacted budget.

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

i. **AB 1821 (Pacheco) California Public Records Act: agency response time**
 The bill would clarify that agencies have 10 business days to determine whether requested records are disclosable public records in their possession and notify the requester. It would also allow agencies to extend their response period by up to 14 additional business days.

Suggested Position: Support.

CSAC Position: Support.

- ii. **AB 762 (Irwin) Disposable, battery-embedded vapor inhalation device: prohibition.**
This bill would beginning January 1, 2027, prohibit the importing or manufacturing disposable, battery-embedded vapor inhalation devices (nicotine-containing, non-cannabis, non-reusable) for sale in California, with a sales ban following in 2028. The bill adds penalties and authorizes the Department of Tax and Fee to revoke or suspend a tobacco product license for anyone found in violation.
Suggested Position: Support.
CSAC Position: Support.
 - iii. **AB 2393 (Addis) False imprisonment: false arrest: remedies**
The bill would allow prevailing plaintiffs in false imprisonment or false arrest civil actions to choose \$10,000 per specified wrongful act instead of actual damages, with joint and several liability among defendants and a \$250,000 per-incident cap on total recovery.
Suggested Position: Support.
CSAC Position: No position.
 - iv. **AB 2705 (Dixon) Property taxation: tax-defaulted property sales: excess proceeds claims**
The bill would establish requirements for agreements between parties of interest and third-party claims filers seeking excess proceeds from tax-defaulted property sales.
Suggested Position: Support.
CSAC Position: Support.
 - v. **AB 1584 (Pellerin) Weights and measures: electric vehicle supply equipment: state authority.**
This bill establishes the Monterey Bay Area Stewardship Authority, a new regional entity covering Monterey, San Benito, and Santa Cruz Counties, to raise and deploy funds for conserving, restoring, and improving access to natural and working lands in the region.
Report Only
 - vi. **ACR To Be Determined: The Legislative Committee has the opportunity to sponsor an Assembly Continuing Resolution (ACR) that would designate a specified portion of State Highway 152 in the County of Monterey as the United States Marine Lance Corporal Victor A. Gonzalez Memorial Highway.**
Suggested Position: Support.
- d. **Governor's Actions and Executive Orders:**
- On Thursday, the Governor announced that California is investing \$70 million for wildfire prevention and resilience projects across the state to protect communities statewide.
 - The Governor this week touted his expanded California Film and Television Tax Credit Program and highlighted that in the first quarter of this year, feature film shoot days increased more than 45% over the previous quarter and more than 52% year over year.
 - Governor Newsom announced that as part of the California Jobs First initiative, the state is awarding California Competes Tax Credits to 17 companies to support business expansion across aerospace & defense, high-tech, clean economy, manufacturing and creative economy sectors.

- The Governor this month announced that 11 additional regions will receive \$35.7 million in Homeless Housing Assistance and Prevention (HHAP) Funding.
- Governor Newsom announced \$30 million through the new Regional Wildfire and Landscape Resilience Grant Program for regional wildfire prevention and landscape projects ahead of wildfire season.
- Governor Newsom announced the award of \$111 million of voter-approved Proposition 1 funding to create six new affordable housing communities across the state.
- The Governor highlighted recent data showing California's tourism economy with statewide travel spending reaching a record high \$158.9 billion in 2025.
- The Governor announced that the state is launching SUN Bucks for summer 2026, providing eligible families with \$120 per child in food benefits to combat food insecurity while children are on summer break and without access to free school meals.
- The Governor announced expanded access to CalHeatScore which provides live data and resources that give early warning to users.
- Governor Newsom announces more than \$540 million to advance transportation systems — increasing highway safety, enhancing connectivity for all Californians and restoring aging and damaged highways.
- The Governor announced new funding for nonprofits and faith-based groups following San Diego mosque shooting.
- The Governor signed a new law to strengthen California's election protections ahead of the June 2 statewide primary.

e. State Bill/Issues Track: See attached.