



State Advocacy Update - May 2026

The Legislature has reached the half-way point of the 2026 legislative year, and continues to be actively engaged in a number of policy and budget issues. The following reflects the timeline for legislative activities through the remainder of the 2026 session. At this point, there are only 31 working days remaining in the legislative session.

- **June 15:** Legislature approved two-party budget agreement
- **July 1:** Fiscal year begins
- **July 2:** Legislature begins Summer recess
- **August 3:** Legislature returns from Summer recess
- **August 31:** Last day of 2025-26 legislative session

On June 15, the Legislature approved AB 109, which reflects the Assembly-Senate two-party budget agreement that memorializes the work of the Legislature and its budget committees and subcommittees over the preceding several months. Next, the legislative leadership will engage in negotiations with the Governor over remaining outstanding details to arrive at a three-party budget agreement over the coming days, which will then be considered on the Floor of each House and signed by the Governor in advance of the July 1 start of the new fiscal year.

Notably, the Legislature's two-party budget includes the reversion of \$16.8 million from Proposition 68 (Section 80111(a)) and then new appropriations of:

- \$16.2 million capital outlay to the Department of Water Resources for the North Lake Pilot Demonstration Project
- \$600,000 to the California Natural Resources Agency for an agreement with the Salton Sea Authority relative to implementation of the North Lake Pilot Demonstration Project

It is unlikely that the final three-party budget agreement that emerges in the coming days will address Proposition 4 allocations or Greenhouse Gas Reduction Fund allocations, among other budget items. The Legislature has indicated a

desire to continue work and discussions on those items through the Legislature's Summer recess with a plan to revisit those issues in follow-up budget-related legislation in August.

As part of the broader state budget conversations, the Authority engaged with Assembly and Senate budget committees, legislative leadership, and the Salton Sea legislative delegation members regarding the Authority's support for the May Revise budget proposal relative to the North Lake Pilot Demonstration Project and agreement between CNRA and the Authority. Additionally, the Authority's budget engagement continued to socialize a request for a budget augmentation in the amount of \$5 million over three years to support a structured engagement and coordination program that empowers residents, Tribal governments, community-based organizations, and environmental justice advocates to meaningfully participate in shaping the federal feasibility study and responding to the environmental and public health consequences of the Colorado River agreement (**Attachment**).

Discussions regarding remaining and outstanding budget matters will continue in earnest through the Legislature's Summer recess and into August.