



State Advocacy Update – September 2026

In Sacramento, the 2025-26 legislative session has adjourned, and Governor Newsom is considering the issuance of signatures and vetoes on more than 900 bills sent to his desk by lawmakers. The Governor has until September 30 to act on all legislation approved by the Legislature. The last month of the legislative session was dominated by debates over climate funding, wildfire liability, and artificial intelligence.

At this point, focus has substantially turned to the November 3 General Election, during which the gubernatorial race, several open state legislative races, and 14 statewide ballot measures will be decided.

Upon conclusion of the General Election and certification of election results, the Legislature will reconvene on December 7, 2026, to swear in a new class of legislators. A new governor will be sworn into office during the first week of January 2027.

Climate Spending

During the final days of the legislative session, AB 113 was placed into print for the Legislature's consideration as part of a broader August budget package. AB 113 contained a variety of end-of-session funding priorities, including allocation of Proposition 4 funding and allocation of Greenhouse Gas Reduction Fund (GGRF) auction revenues.

The following reflects some of the key Proposition 4 funding appropriations contained in AB 113:

- \$68 million to the California Natural Resources Agency for regional conveyance projects, including at least \$30 million for State Water Project conveyance subsidence repairs
- \$78 million to the Department of Water Resources for groundwater purposes (competitive grants)
 - \$15.5 million for groundwater storage, banking, and recharge projects
 - \$50 million for regional watershed and drought-resilience projects

- \$8 million for small farmer assistance to comply with SGMA
- \$100 million to DWR for flood protection projects (competitive grants)
 - \$13 million for projects to implement the State Plan of Flood Control
 - \$75 million for Delta levees
 - \$12 million for dam safety projects
- \$133 million to DWR for flood risk reduction (competitive grants)
 - \$109 million for the Urban Flood Risk Reduction Program
 - \$24 million for the Systemwide Flood Risk Reduction Program
- \$263 million to the State Water Resources Control Board for drinking water quality projects (competitive grants)
- \$12.4 million to the SWRCB for tribal water infrastructure projects for drinking water quality improvements
- \$100 million to the SWRCB for water recycling projects
- \$48 million to the SWRCB for multi-benefit urban stormwater management projects

Additionally, the Legislature approved substantial restructuring of the GGRF spending allocations in final budget action at the end of the legislative session. In the final legislative package, the GGRF spending package included:

- \$71 million for the Safe and Affordable Drinking Water Program (SAFER program) – this is an improvement from the originally-projected \$31 million allocation under current GGRF revenue auction projections, but a significant departure from the long-term target of \$130 million annually for the SAFER program.

The Legislature approved AB 113 on September 1, and advanced it to the Governor's desk for final consideration.

Salton Sea Authority Engagement

In terms of Salton Sea Authority-specific engagement, the Authority has initiated active discussions with California Natural Resources Agency staff to memorialize the agreement provided for in the State Budget that was approved prior to the beginning of the July 1 new fiscal year and execute the appropriations mechanism for the approved funding. This is a near-term priority with expectations of successfully memorializing the agreement in the weeks ahead.

Next, attention will turn to planning for the 2027 legislative session, including scoping and development of legislative concepts, socializing legislative concepts with broader stakeholder and potential partner organizations, and developing a comprehensive gameplan to advance legislative initiatives into the upcoming legislative session.

As part of that planning process, the Authority will seek engagement with Senator Padilla and the Assemblymember who successfully emerges in the Salton Sea serving Assembly District 36 (incumbent Jeff Gonzalez or Ida Obeso-Martinez) to continue pursuit of funding assistance 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.