

ASSEMBLY THIRD READING

AB 2597 (Wicks)

As Amended June 30, 2026

2/3 vote. Urgency

SUMMARY

This bill is one of several annual bills carried by the chairs of the Appropriations Committees to provide appropriation authority for legal settlements approved by the Department of Justice (DOJ) and the Department of Finance (DOF). The state lawfully entered into these settlements, upon advice of counsel (DOJ). They are binding state obligations.

This bill appropriates \$7.4 million from the General Fund (GF) to the Attorney General (AG) to pay the specified claims, settlements or judgments against the state.

Major Provisions

None.

COMMENTS

The appropriation in this bill results from claims, settlements or judgments against the state summarized as follows:

- 1) *California Chamber of Commerce v. Bonta*—\$2.775 million. This case was brought by the California Chamber of Commerce as they wanted to prohibit enforcement of Proposition 65 and brought an as-applied challenge for acrylamide warning requirements on food as the scientific community wasn't in consensus about the carcinogenic properties. The court found in favor of Cal Chamber of Commerce, granting the injunction and costs.
- 2) *The Personal Care Products Council v. Bonta*—\$1.5 million. This case was about Proposition 65 and its warning requirement for Diethanolamine in cosmetic and personal care products. The court held that the current state of relevant science did not support the constitutional enforcement of this warning requirement.
- 3) *Junior Sports Magazines Inc., et al. v. Bonta*—\$900,000. The plaintiffs brought a facial and as-applied constitutional challenge to a California Business and Professions Code prohibiting firearm industry members from marketing firearm-related products to be attractive to minors. The court held that the statute was a violation of the right to commercial speech under the First Amendment.
- 4) *Catholic Medical Mission Board, Inc. v. The Attorney General of the State of California; Registrar of the Registry of Charitable Trusts*—\$595,954.03; *Food for the Poor, Inc. v. The Attorney General of the State of California; Registrar of the Registry of Charitable Trusts*—\$291,731.35. These cases were brought by the AG against charitable organizations alleging that their charitable solicitations were misleading to donors and potentially violated generally accepted accounting principles (GAAP) principles as they overstate their expense efficiency ratios. In the administrative hearing, the charities won the GAAP argument as their ratios were not overstated but the AG proceeded to argue that the ratios were misleading to donors. After the charities petitioned the court for relief due to lack of evidence and first amendment

concerns, the parties settled for the abovementioned amounts and the court prohibited the enforcement of Government Code sections 12591.1(b)(4) and 12599.6(f)(2).

- 5) *California Chaparral Institute, et al. v. Board of Forestry and Fire Protection*—\$553,159.23. The plaintiffs sued the Board to challenge the adequacy of their Environmental Impact Report as it did not consider the adverse effects of type conversion, even though, they are aware of the increased wildfire danger. The court found that the Board abused their discretion as they declined to make a written finding regarding the increased wildfire risk and concluded that California Environmental Quality Act (CEQA) requires more.
- 6) *Safari Club International, et al. v. Bonta*—\$481,749.72. Three sportsmen advocacy organizations brought a facial and as-applied constitutional challenge to a California Business and Professions Code prohibiting fire-arm industry members from marketing firearm-related products to be attractive to minors. The court held that the statute was a violation of the right to commercial speech under the First Amendment and ordered a permanent injunction against the statute's enforcement.
- 7) *Hoffman, et al. v. Bonta*—\$165,000. This case was about a non-resident's right to apply for a Concealed Carry Weapons (CCW) license in California and the court ruled that restricting a non-resident's right to apply violated the second amendment of the US Constitution. Since opening the application process to non-residents does not infringe on California's firearm regulatory powers and parameters for assessment, the court granted an injunction for the non-resident plaintiffs.
- 8) *California Rifle and Pistol Association, et al. v. Bonta*—\$128,206.50. This case was about Concealed Carry Weapons (CCW) licenses and the plaintiffs alleged that the delay and high fees in the licensing requirements associated with LA County's Sheriff's Department and La Verne Police Department violated their constitutional rights under the second and fourteenth amendments of the US Constitution. The parties eventually settled, and the defendants were ordered to pay as the plaintiffs prevailed on their motion for a preliminary injunction.

According to the Author

None on file.

Arguments in Support

None on file.

Arguments in Opposition

None on file.

FISCAL COMMENTS

One-time appropriation of \$7,391,650.83 from the General Fund, as follows:

- 1) \$2,775,000.00 for the payment of claims, settlements or judgments against the state arising from *California Chamber of Commerce v. Bonta (United States District Court, Eastern District of California, Case No. 2:19-cv-02019-DJC-JDP)*.

- 2) \$1,500,000.00 for the payment of claims, settlements or judgments against the state arising from *The Personal Care Products Council v. Bonta* (United States District Court, Eastern District of California, Case No. 2:23-cv-01006-TLN-JDP).
- 3) \$900,000.00, with \$350,000 available to the Law Offices of Donald Kilmer, and \$550,000 available to Michel and Associates, P.C., for the payment of claims, settlements or judgments against the state arising from *Junior Sports Magazines Inc., et al. v. Bonta* (United States District Court, Central District of California, Case No. 2:22-cv-04663-CAS-AYP).
- 4) \$887,685.38, with \$595,954.03 available to the Catholic Medical Mission Board, and \$291,731.35 available to Food for the Poor, Inc., for the payment of claims, settlements or judgments against the state arising from *Catholic Medical Mission Board, Inc. v. The Attorney General of the State of California; Registrar of the Registry of Charitable Trusts* (Los Angeles County Superior Court, Case No. 20STCP01520) and *Food for the Poor, Inc. v. The Attorney General of the State of California; Registrar of the Registry of Charitable Trusts* (Los Angeles County Superior Court, Case No. 20STCP01626).
- 5) \$553,159.23 for the payment of claims, settlements or judgments against the state arising from *California Chaparral Institute, et al. v. Board of Forestry and Fire Protection* (San Diego County Superior Court, Case No. 37-2020-00005203-CU-TT-CTL, Fourth District Court of Appeal, Case No. D083484).
- 6) \$481,749.72 for the payment of claims, settlements or judgments against the state arising from *Safari Club International, et al. v. Bonta* (United States District Court, Eastern District of California, Case No. 2:22-cv-01395-DAD-JDP).
- 7) \$165,000.00 for the payment of claims, settlements or judgments against the state arising from *Hoffman, et al. v. Bonta* (United States District Court, Southern District of California, Case No. 3:24-cv-00664-CAB-MMP).
- 8) \$128,206.50 for the payment of claims, settlements or judgments against the state arising from *California Rifle and Pistol Association, et al. v. Bonta* (United States District Court, Central District of California, Case No. 2:23-cv-10169-SPG-ADS).

VOTES

ASM APPROPRIATIONS: 15-0-0

YES: Wicks, Hoover, Arambula, Calderon, Caloza, Dixon, Fong, Mark González, Krell, Pacheco, Pellerin, Sharp-Collins, Solache, Ta, Tangipa

UPDATED

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