

(Without Reference to File)

SENATE THIRD READING

SB 137 (Committee on Budget and Fiscal Review)

As Amended June 24, 2025

Majority vote. Budget Bill Appropriation Takes Effect Immediately

SUMMARY

This general government trailer bill contains the necessary changes to implement provisions adopted as part of the Budget Act of 2025.

Major Provisions

This bill makes various statutory changes to implement the general state government provisions of the Budget Act of 2025. Specifically, this bill does the following:

- 1) *California Consumer Privacy Act Technical Changes*: Resolves questions about how CPPA and DOJ will coordinate accessing the Consumer Privacy Fund. Per the trailer bill language, each entity will be able to access fines or penalties from its own CCPA enforcement actions, which will be housed in separate subfunds of the Consumer Privacy Fund. If an action or settlement is the result of a joint investigation with the CPPA, the DOJ may deposit a portion of these funds into the CPPA's subfund as a reimbursement of investigative costs. It also sets up a system where 5% of the CCPA fines and penalties in each entity's subfund will automatically go the grant program subfund. CPPA is required to administer the grant program when funds in the grant subfund exceed \$300,000.
- 2) *Programmatic Fee and Assessment Adjustments*: Make changes to some of the programmatic fees and make technical changes for the Financial Protection Fund administered by the Department of Financial Protection.
- 3) *Climate Catalyst Fund*: Extends the sunset of the Climate Catalyst Revolving Fund at the California Infrastructure and Economic Development Bank (IBank) from July 1, 2025 to December 31, 2031, including extending existing law regarding exempting certain financial documents under the Public Records Act. It also requires notice to the Joint Legislative Budget Committee when adopting, revising, or repealing a financing plan or when federal funds transition to state funds. Additionally, it increases reporting requirements and makes technical changes.
- 4) *Secretary of the Senate Reports*: Updates Government Code sections 9795 and 10242.5 which establish the process for state or local agencies to submit reports to the Legislature that are required or requested by law. The changes to these two sections allow reports to be submitted electronically to the Secretary of the Senate, the Chief Clerk of the Assembly, and the Legislative Counsel.
- 5) *CDCR/DGS Surplus Property Disposal*: Clarifies the process regarding the sale of surplus state prison property and maintains the requirement for legislative approval for sales.

- 6) *Indian Gaming Special Distribution Fund*: Deletes the authorization for moneys in the Indian Gaming Special Distribution Fund to support state and local government agencies impacted by tribal government gaming. Now, rather than be compensated from the Special Distribution Fund for tribal gaming impacts, state and local government agencies negotiate Memorandums of Understanding directly with tribal governments to address these impacts.
- 7) *SB Tap Alternative Federal Match*: Modifies the federal match requirements for applicants to the Small Business Technical Assistance Program (TAP) at the California Office of the Small Business Advocate (CalOSBA) so that, if an applicant's federal contract was canceled, frozen, or rescinded in the 2024–25 fiscal year, then for grants made in fiscal years 2025–26 to 2027–28, inclusive, the applicant may rely on federal contracts from prior years, as specified, to qualify. In addition, requires the Office of Small Business Advocate to review and confirm that the applicant continues to meet state performance standards and provides high-quality, equitable technical assistance services, and to report its findings and actions to the Legislature.
- 8) *Annual Progress Report*: Authorizes the Office of Land Use and Climate Innovation to use the same submittal process for General Plan Annual Progress Reports used by the Department of Housing and Community Development.
- 9) *Vulnerable Communities Definition*: Authorizes the Office of Land Use and Climate Innovation to change the definition of 'vulnerable communities,' included in the latest Integrated Climate Adaptation and Resilience Program Technical Advisory Council resource guide to serve as the operating definition of 'vulnerable communities' without future statutory changes.
- 10) Clarifies the authority of the Attorney General to access other state agencies' records, and the legal separation of state agencies from other state agencies, including legal control over state documents.
- 11) *HOPE Eligibility (Technical Change)*: Clarifies that the definition of "eligible child" includes residents of California who are 18 years of age or older who, prior to attaining 18 years of age, had a parent, Indian custodian, or legal guardian who died due to COVID-19 during the federally declared COVID-19 public health emergency and met the specified family household income limit.

COMMENTS

This general government trailer bill contains the necessary changes to implement provisions adopted as part of the Budget Act of 2025.

According to the Author

Arguments in Support

None on file.

Arguments in Opposition

None on file.

FISCAL COMMENTS

This bill would expand the definition of "eligible child", which would expand eligibility for a HOPE trust account, which are funded through a continuously appropriated fund, thereby making an appropriation.

VOTES**SENATE FLOOR: 28-10-2**

YES: Allen, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Cortese, Durazo, Gonzalez, Grayson, Hurtado, Laird, Limón, McGuire, McNerney, Menjivar, Padilla, Pérez, Richardson, Rubio, Smallwood-Cuevas, Umberg, Wahab, Weber Pierson, Wiener
NO: Alvarado-Gil, Choi, Dahle, Grove, Jones, Niello, Ochoa Bogh, Seyarto, Strickland, Valladares

ABS, ABST OR NV: Reyes, Stern

UPDATED

VERSION: June 24, 2025

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