

SENATE THIRD READING

SB 159 (Committee on Budget and Fiscal Review)

As Amended September 08, 2025

2/3 vote. Budget Bill Appropriation Takes Effect Immediately

SUMMARY

This bill provides statutory changes to facilitate implementation of the Budget Act of 2025 as it relates to revenues.

Major Provisions

This bill contains the following statutory changes necessary to implement the 2025 Budget Act.

Specifically, this bill;

- 1) Clarifies definitions for "qualified amount" and "qualified taxpayer" to have a connection to a qualified wildfire disaster.
- 2) Defines "qualified wildfire disaster" to mean any disaster arising from a wildfire for which either the Governor has declared a state of emergency or the President of the United States has declared an emergency or major disaster as defined under the Robert T Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. Sec. 5121 et seq.).
- 3) Clarifies the definition of settlement entity to mean an entity making a settlement payment of a qualified amount to a qualified taxpayer.
- 4) Appropriates \$10,000 from the General Fund to the Franchise Tax Board to administer tax exemptions related to the qualified wildfire disaster settlements.

COMMENTS

The bill contains statutory changes necessary to implement the 2025 Budget Act related to revenues.

According to the Author**Arguments in Support**

None on file.

Arguments in Opposition

None on file.

FISCAL COMMENTS

The provisions of this bill related to the Wildfire Settlements exclusion are estimated to reduce revenues by \$28 million in 2024-25, by \$15 million in 2025-26, by \$11 million in 2026-27, by \$4.4 million in 2027-28, and by \$1.3 million in 2028-29. This bill makes no changes to these estimates included in SB 132 (Chapter 17, Statutes of 2025)

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: September 8, 2025

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