
UNFINISHED BUSINESS

Bill No: SB 159
Author: Committee on Budget and Fiscal Review
Amended: 9/8/25
Vote: 27- Urgency

SENATE FLOOR: 28-10, 3/20/25

AYES: 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

NOES: Alvarado-Gil, Choi, Dahle, Grove, Jones, Niello, Ochoa Bogh, Seyarto, Strickland, Valladares

NO VOTE RECORDED: Reyes, Stern

ASSEMBLY FLOOR: 69-1, 9/11/25 - See last page for vote

SUBJECT: Personal Income Tax Law: Corporation Tax Law: exemptions: wildfire

SOURCE: Author

DIGEST: This bill is a revenue and taxation trailer bill for the 2025-26 Budget. This bill contains statutory changes necessary to facilitate implementation of the Budget Act of 2025.

Assembly Amendments of 9/8/25 delete the Senate version of this bill and instead add the current language.

ANALYSIS: This bill contains the following statutory changes necessary to implement the 2025 Budget Act, specifically, this bill:

- 1) Clarifies that definitions for “qualified amount” and “qualified taxpayer” 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 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.

FISCAL EFFECT: Appropriation: Yes Fiscal Com.: Yes Local: No

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 (Committee on Budget and Fiscal Review), Chapter 17, Statutes of 2025.

SUPPORT: (Verified 9/8/25)

None received

OPPOSITION: (Verified 9/8/25)

None received

ASSEMBLY FLOOR: 69-1, 9/11/25

AYES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Castillo, Connolly, Davies, Elhawary, Fong, Gabriel, Gallagher, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Kalra, Krell, Lackey, Lee, Lowenthal, Macedo, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Papan, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Celeste Rodriguez, Michelle Rodriguez, Rogers, Blanca Rubio, Schultz, Sharp-Collins, Solache, Soria, Stefani, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas

NOES: DeMaio

NO VOTE RECORDED: Chen, Dixon, Ellis, Flora, Johnson, Patel, Sanchez,
Schiavo, Ta, Tangipa

Prepared by: Elisa Wynne / B. & F.R. / (916) 651-4103
9/12/25 10:25:45

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