

(Without Reference to File)

SENATE THIRD READING

SB 172 (Committee on Budget and Fiscal Review)

As Amended June 26, 2026

Majority vote Budget Bill Appropriations Take Effect Immediately

SUMMARY

This is the General Government trailer bill which contains the necessary changes to implement provisions adopted as part of the Budget Act of 2026.

Major Provisions

This bill makes various statutory Changes to implement the General Government provisions of the Budget act of 2026. Specifically, this bill does the following:

- 1) *California Education Learning Lab*: Moves the California Education Learning Lab from the Governor's Office of Land Use & Climate Innovation to the Government Operations Agency.
- 2) *Middle-Mile Broadband Enterprise Fund*: Extends the date the funds in the fund are continuously appropriated to July 1, 2031.
- 3) *Department of Food and Agriculture Administration Cap Exemption*. Adjusts how the Department of Food and Agriculture manages interdepartmental expenses.
- 4) *State Racetrack Leasing Authority – Clerical Support*. Shifts clerical and administrative duties from the Department of Finance to the Department of Food and Agriculture for state racetrack leases.
- 5) *Onboarding Deferred Departments*: Requires FISCAL to work in consultation with the Department of Finance and the Department of Technology in ongoing maintenance and roadmap activities of the system
- 6) *Repeal of Notification Requirement*: Suspends the mandate for the new disclosure requirement for Los Angeles County, making the requirement inoperative in 2026-27, and does not provide funding for reimbursable costs incurred prior to 2026-27.
- 7) *AB 91 Clean-up*: Provides technical clean-up to AB 91 (Harabedian) Chapter 357 Statutes of 2025 to implement the provisions of AB 91.
- 8) *Establishing Continuously Appropriated Fund – Victims of Consumer Fraud Restitution Fund*: Allows for the continuous appropriation of the Victims Consumer Fraud Restitution Fund to permit the Attorney General to use available funds for remedies of disgorgement related to actions filed under specified unfair competition and false advertising laws.
- 9) *NextGen 911*: Includes several statutory changes related to the Next Generation 911 project at the California Office of Emergency Services (OES), including the following:

- a) Requires an independent technical evaluation of the development and implementation of the Next Generation 911 system before Cal OES may issue a request for proposals or award a Next Generation 911 network services contract.
 - b) Requires an independent technical evaluation, among other things, to describe the state's options for delivering reliable Next Generation 911 system services to the state and the strengths and weaknesses of each option.
 - c) Requires the independent evaluator to provide a final report on the independent technical evaluation on or before May 1, 2027, and to provide an initial evaluation and preliminary report on the independent technical evaluation on or before December 15, 2026, as specified.
 - d) Requires Cal OES to submit a quarterly report to the Legislature, as specified, beginning on or before October 1, 2026, regarding the development and implementation of, and the total and current year funding spent on, the Next Generation 911 system. The quarterly report shall include, among other specified information, documentation of the progress toward, and major challenges facing, statewide development and implementation of a Next Generation 911 system.
- 10) *Codifying Jobs First*: Establishes the Office of Regional Economic Development Initiatives within the Governor's Office of Business and Economic Development (GO-Biz) to support regional partners in developing, maintaining, and implementing their regional economic development strategies.
- 11) *LCI Form Authority*: Requires local jurisdictions to submit specified portions of their Annual Progress Reports to the Governor's Office of Land Use and Climate Innovation (GO-LCI), using standards, forms, and definitions adopted by GO-LCI.
- 12) *State Clearinghouse Fee Authority – Office of Land Use and Climate Innovation*: Authorizes the Office of Land Use and Climate Innovation to undertake a public rulemaking process to assess a fee on electronic California Environmental Quality Act (CEQA) documents submitted to the State Clearinghouse to support the costs of maintaining the State Clearinghouse system.
- 13) *Farm to School Codification*: Codifies the California Farm to School Act, which supports schools procuring locally grown food, provides hands-on food education, and assists farmers increase capacity to supply food to schools.
- 14) *Contract and Procurement Efficiencies*: Authorizes the Department of General Services to implement various contract and procurement efficiencies.
- 15) *Middle-Mile Broadband Contract JLBC Notification*: Requires that the Middle Mile Broadband Network's third-party administrator get Joint Legislative Budget Committee approval before entering any contracts over \$8 Million.
- 16) *Fee Increases*: Establishes the Office of Regional Economic Development Initiatives within the Governor's Office of Business and Economic Development (GO-Biz) to support regional partners in developing, maintaining, and implementing their regional economic development strategies.

- 17) *State Athletic Commission*: Increases the fee for a professional contest or exhibition from \$1,250 to \$2,500 and increases the maximum amount of the fee for the sale of TV rights from \$35,000 per event to \$50,000 per event. In addition, asks the Commission to consider a study to evaluate its revenues, expenditures, current fees, and potentially identify new fees to address the Athletic Commission Fund structural deficit ahead of the 2028 Sunset Review process. Lastly, the bill requires the Commission to provide the Joint Legislative Budget Committee with a fund condition statement of the Athletic Commission fund on or before February 1, 2027, and a second statement on or before February 1, 2028.
- 18) *Projected Surplus Temporary Holding Account*: Eliminates the December 31, 2030, sunset date for the Projected Surplus Temporary Holding account in the State Treasury, thereby making the account operative permanently.
- 19) *NextGen 911 Advisory Board*: Includes various changes to the State 911 Advisory Board, including having the board members elect a chair and allowing the board to make formal recommendations.
- 20) *Property Tax Law Disclosures*: Repeals a disclosure requirement which was previously printed on tax bills for certain properties related to SB 989 (Hertzberg) Chapter 712, Statutes of 2022.

COMMENTS

This bill makes the necessary changes to implement the Budget Act of 2026.

According to the Author

None on file.

Arguments in Support

None on file.

Arguments in Opposition

None on file.

FISCAL COMMENTS

The provision enacted by SB 172 or AB 172 of the current legislative session makes various ongoing appropriations, thereby making it 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

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