

SENATE THIRD READING

SB 187 (Committee on Budget and Fiscal Review)

As Amended August 28, 2026

Majority vote. Budget Bill Appropriation Takes Effect Immediately

SUMMARY

This Labor trailer bill 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 Labor provisions of the Budget Act of 2026. Specifically, this bill does the following:

- 1) *New Employee Orientation*: Makes release time for new hires who attend a remote new employee orientation permanent.
- 2) *Accounts Outside State Treasury*: Clarifies that California Department of Human Resources' (CalHR's) authority includes establishing, administering, and maintaining the claim fund reserve account outside the state's Centralized Treasury System under the insurance carriers' Taxpayer Identification Number, with restrictions and are subject to applicable fiscal controls and other requirements.
- 3) *California Public Employees Retirement System (CalPERS) Part-Time Boards*: Clarifies that the Alcoholic Beverage Commission and the Central Valley Flood Protection board members will be eligible to elect participation in CalPERS for their service as a board member without having CalPERS membership through previous employment. In addition, it clarifies that the Alcoholic Beverage Commission (ABC) and Central Valley Flood Protection (CVFP) board members who elected membership prior to January 1, 2027, will retain their CalPERS membership and any service credited prior to January 1, 2027. Finally, clarifies that for Service on or after January 1, 2027: CalPERS will prorate the ABC and CVFP board members' service credit at the end of each fiscal year to the time base determined by their respective board. Each board is responsible for determining and notifying CalPERS of the time basis for their board members.
- 4) *Goat Herder Alternative Minimum Wage*: Extends the alternative minimum wage provisions for goatherders to January 1, 2029, the current provisions expired on July 1, 2026.

COMMENTS

This Labor trailer bill contains the necessary changes to implement provisions adopted as part of the Budget Act of 2026.

According to the Author**Arguments in Support**

None on file.

Arguments in Opposition

None on file.

FISCAL COMMENTS

Existing law creates the State Employees' Self-Funded Benefit Fund, which is a continuously appropriated fund, created in the State Treasury, for use by CalPERS to make benefit payments and pay related administrative costs.

This bill authorizes new uses of that 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: August 28, 2026

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