



February 25, 2025

To: James Corless, Executive Director, Sacramento Area Council of Governments

From: Chris Lee, Partner, Politico Group  
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**Re: February State Advocacy Report & Legislative, Budget & Climate Bond Update**

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Politico Group is pleased to provide the following report to the Sacramento Area Council of Governments on recent advocacy activities, as well as legislative, budget and climate bond updates.

## February Advocacy Activities

In February, Politico Group worked with SACOG to start briefing the SACOG legislative delegation on 2025 priorities, including opportunities to support implementation of sustainable communities strategy, including through funding to Green Means Go. Politico Group also continued to monitor budget hearings and completed our initial review of the approximately 2,400 bills introduced by the February 21 deadline for the legislative year. Hundreds of these bills are currently in non-substantive “spot” form. As a reminder, bills must be in print for 30 days before they can heard in committee or amended. Politico Group will continue to monitor amendments, particularly for spot bills, and identify bills of interest to SACOG.

## State Budget Update

### Hearings Begin on Governor’s Proposed Budget

Budget Committees have started to hold hearings on the Governor’s January budget, which was submitted to the Legislature last month. These early hearings often provide insight into the key issues that the majority party in each house will prioritize in upcoming three-party negotiations surrounding the budget. Initial hearings show significant interest in transit on the Senate side, while the Assembly is prioritizing housing and homelessness, as well as accountability and oversight.

The Senate Budget and Fiscal Review Committee held a budget overview hearing on January 30, followed by a full committee hearing focused on public transportation funding in California on February 6. Since transportation funding issues are typically the domain of the Committee’s Subcommittee No. 5, the full committee hearing on this topic highlights the importance of transit to Chair Wiener and demonstrates his willingness to use his platform to advance funding solutions for operators facing a fiscal cliff. In a related effort, public transit agencies, labor groups, and advocacy organizations are working with legislators from the Bay Area to advance a \$2 billion state General Fund transit funding request for consideration during the budget process.

The Assembly held its first full budget committee hearing on February 10. Assembly Budget Chair Jessie Gabriel (D-Encino) kicked off the Committee’s inaugural hearing by stating that the lack of resources for housing and homelessness in the Governor’s budget was “impossible to overlook” for the Assembly’s

Democratic majority, and do not reflect prior funding commitments or the importance of these broader issues for the state. Chair Gabriel also highlighted the Assembly's ongoing focus on accountability for state spending through the continuation of Budget Subcommittee No. 7, which is focused solely on oversight. The Subcommittee held its first hearing of the year on February 20 with an agenda focused on the [impact of federal funding](#) in California.

The Governor's May Revision to his January budget proposal is due to the Legislature in mid-May. As noted in last month's report, Politico Group anticipates significant changes to both revenue and expenditure estimates in the May Revision due to the impacts of the fires in Los Angeles County, disaster-related tax payment extensions, and significant uncertainty related to federal funding to California—both for congressionally authorized programs and anticipated fire-related disaster assistance. The Legislature must approve a balanced budget bill for FY 2025-26 by June 15.

## Climate Bond Update

### Hearings on Climate Bond Expenditure Plan Begin

Assembly Budget Subcommittee No. 4 on Climate Crisis, Resources, Energy and Transportation devoted most of its first hearing of the budget cycle to an overview of the Administration's proposed Climate Bond expenditure plan. Authorized by Proposition 4 on the November 2024 ballot, the Governor's January Budget proposes appropriating approximately \$9 billion of the total \$10 billion in authorized bond funding over the next several fiscal years.

Key themes discussed in the February 19 [hearing](#)—as well as in the [Legislative Analyst's analysis](#) of the spending plan—included the Governor's proposal to use a portion of bond funding to backfill previously appropriated General Fund (GF) and Greenhouse Gas Reduction Fund (GGRF) spending, ongoing legislative oversight of bond spending, and the pace of proposed appropriations.

Subcommittee Chair Steve Bennett (D-Ventura) and multiple Democratic members expressed significant concerns with January Budget proposal to backfill prior appropriations of \$273 million in GF and \$32 million in GGRF for climate programs with bond funds. The Department of Finance attributed the proposal to a broader focus on budget resiliency, especially in the context of federal revenue uncertainty, and stated that the list of backfilled programs was developed based on an analysis of programs that had similar purposes as Prop. 4 and unencumbered GF or GGRF balances. (A detailed list of the proposed backfill amounts was included in Politico Group's summary of the Governor's Budget).

The Subcommittee also grappled with the pace of proposed appropriations. While the Administration argued that multi-year appropriations benefit both implementing agencies and applicants by providing greater certainty, legislators expressed concerns that advanced appropriations would limit their opportunity for ongoing oversight—particularly as new bond-funded programs are developed. Chair Bennett stated he was comfortable with the \$2.7 billion level of spending proposed in 2025-26 but questioned the need to appropriate \$9 billion in multi-year funding this year.

## Legislative Updates

### Brown Act: Advisory Bodies & Remote Participation

Legislators have reintroduced bills to provide greater flexibility for remote participation by members of legislative bodies and advisory committees under the Brown Act. Assemblymember Rubio introduced AB 259 on January 16. This bill eliminates the 2026 sunset date from her prior legislation AB 2449 (2022),

which allowed the legislative bodies of local agencies to meet via teleconference provided that a quorum of the body is present in person and other requirements are met. AB 259 also indefinitely extends the authority for remote meetings during emergency circumstances and for allowing a member of a legislative body to participate remotely without providing at least 72 hours of advance notice due to emergency circumstances.

Senator Jesse Arreguín, a freshman legislator from Berkeley, introduced SB 239 related to the Brown Act and advisory bodies on January 30. The bill is sponsored by the League of California Cities and the California State Association of Counties and is nearly identical to last year's AB 817 (Pacheco), which stalled in the Senate Local Government Committee. Like the prior attempt, SB 239 would allow remote meetings of advisory bodies under the Brown Act without requiring members to post their home address and make the location open to the public.

The new bill addresses some—but not all—of the issues raised by the Committee last year. One particularly important issue for the Senate Local Government Committee, which was not incorporated in SB 239, is a requirement for meetings utilizing the remote flexibility option to also have an in-person quorum. The other specific differences between last year's bill and SB 239 include:

- AB 817 (2024) would have sunset in 2026, while SB 239 is effective indefinitely.
- SB 239 requires remote participants to identify any person over 18 years old in the remote location with them and their relationship.
- SB 239 does not apply to advisory bodies with oversight of police, budgets, or elections.
- SB 239 requires elected officials to comply with additional posting requirements when they participate in a subsidiary body meeting remotely.
- SB 239 requires final recommendations of subsidiary bodies to be presented in a regular meeting of the establishing legislative body.

While Senator Arreguín is a member of the Local Government Committee, the Committee has the same chair as last year, Senator Durazo (D-Los Angeles). Accordingly, it is unclear whether these bills will have different outcomes than the prior efforts, which stalled when stakeholders and policy committees could not reach agreement on amendments.

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