GOVERNOR'S BUDGET SUMMARY
2026-27

Gavin Newsom, Governor
STATE OF CALIFORNIA

175 YEARS OF STATEHOOD
(1850-2025)

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GOVERNOR
Gavin Newsom

January 9, 2026

Dear Members of the California Legislature,

Last year, California faced a succession of trials—economic upheaval, natural disaster, and political chaos from a new federal administration hell bent on destroying American institutions and the values we hold dear as a state. And yet, time and again, California chose steadiness over panic, forward movement over retreat, and responsibility over easy answers.

Because of what we have built and protected in past state budgets, millions of Californians are better off today. Children can get through the school day with full stomachs and stronger foundations for learning. Young people have greater access to college at all levels and are prepared for good-paying jobs through apprenticeships. We have confronted climate change as a call to invent, build, and lead with new technologies. We have cut drug costs, expanded tax credits for businesses and families, and put unprecedented efforts into tackling the mental health and housing crises that have gripped this country for too long. These examples—among many that we can be proud of—are not accidents. They are the result of deliberate action taken hand-in-hand with the California Legislature.

The budget I present to you today rests on that foundation of shared values. But it's also shaped by an understanding of the moment before us. There are encouraging signs in the California economy—our population is increasing, businesses are expanding, and our innovation ecosystem, fueled in no small part by the state's burgeoning AI industry, has boosted budget revenues. Yet history teaches us that prosperity, if taken for granted, can vanish as quickly as it arrives. California's responsibility is to act with steady hands and anticipate future instability. Significantly, the Trump Administration and leaders in Congress—chaos agents who act with cruel indifference or outright malice—have attempted to shift costs to California taxpayers and disrupt the lives of working families here.

The work of governing is not bluster and threats on social media, but preparing for storms before they arrive. For that reason, this 2026-27 budget must honor the commitments we have already made—to educate our children, care for the vulnerable, protect public safety—and preserve the long-term health of our finances. By rebuilding reserves and confronting structural challenges directly, we will ensure that California can meet the next crisis without abandoning the people who depend on us.

This January budget is not the final word. It is a beginning—a statement of purpose. In the months ahead, we will work together to refine a final budget that looks beyond a single year, mindful of the obligations to the people we serve. I look forward to working with you to safeguard what we have built, to strengthen what remains unfinished, and to prepare California for the years ahead.

With respect,

/s/ Gavin Newsom

Gavin Newsom

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INTRODUCTION

California has led the nation in recent years by making transformative investments that will continue to benefit the state well into the future. Progress is demonstrable—by providing universal access to transitional kindergarten, universal school meals, ensuring all students in kindergarten through second grade are screened for reading difficulties, allowing more college students access to financial aid, providing historic increases to the California State University and the University of California, making unprecedented investments to combat climate change, address housing needs, prevent homelessness, enhance safety net programs, and improve public safety. The future of California is brighter, cleaner, and safer because of the investments made in California, thanks to the work by this Administration and the Legislature.

It is upon this foundation of progress that California begins a new year with a Governor's Budget that reflects a benefit, a cost, and a challenge:

- The benefit of a welcome surge in state revenues in 2025 that reflects a boost in the overall revenue outlook.
- The additional near-term costs imposed on California by federal tax legislation as well as unknown future costs to the state's economy from higher tariffs and restrictive immigration policy.
- The challenge and imperative of balancing the budget not only for the coming fiscal year but for the following year as well.

The Budget forecast reflects General Fund revenues that are higher by more than $42 billion over the budget window, from 2024-25 through 2026-27, than projected at the 2025 Budget Act—an increase driven by higher cash receipts, higher stock market levels, and an improved economic outlook. At the same time, however, constitutional funding requirements, the need for an adequate discretionary budget reserve, and higher program costs are additional commitments that exceed the level of increased revenues, resulting in a modest projected shortfall of $2.9 billion. As a result, the Budget does not include new significant spending proposals. Instead, the Budget focuses on the continued implementation of previous investments.

BALANCING FOR TWO BUDGET YEARS

Both during and after the COVID-19 Pandemic, California experienced significant revenue volatility. For example, in 2021, capital gains as a percent of personal income spiked to an all-time high of 11.6 percent, contributing to a surge in General Fund revenues. The following two years saw a significant revenue decline, as capital gains as a percent of personal income dropped to 4.1 percent by 2023. At the same time, this volatility was compounded in 2023 by the disaster-driven delay in income tax filings to November, affecting over 99 percent of California taxpayers.

Coming out of that period, even as revenues increased and approximately $12 billion in ongoing expenditure reductions were included in the 2025 Budget Act, the state continues to be confronted with structural operating deficits. Given the actions required to address the revenue declines experienced in 2022 and 2023, and the budget pressures and uncertainty caused by the current federal government, the state must take meaningful steps to address the structural imbalance in the budget.

While the Budget is balanced in the 2026-27 fiscal year, with a discretionary reserve of $4.5 billion, it projects a deficit of roughly $22 billion in the 2027-28 fiscal year and shortfalls in the two years following. The Administration intends to build on this budget proposal in May with a revised plan—reflecting updated revenue and spending data—that balances the Budget in both the 2026-27 and 2027-28 fiscal years with adequate budget reserves.

RISKS TO THE BUDGET

While the significant revenue increase since the 2025 Budget Act is encouraging, it is important to recognize that much of this surge is attributable to a relatively small number of technology companies that have experienced a substantial increase in their share prices due to investor enthusiasm in artificial intelligence. Given the outsized effect that technology companies' stocks have on personal income tax revenues, history indicates that these surges cannot be sustained indefinitely at such high levels. As such, the dominant risk to the Budget is stock market and asset price declines—shocks that disproportionately impact high-income earners. Unpredictable federal policies, including continued uncertainty regarding tariffs and immigration, as well as their impact on inflation, the labor market, investment, and overall demand, are another risk to the budget.

FEDERAL POLICY CHANGES

House of Representatives (H.R.) 1 of 2025 included significant federal policy changes for Health and Human Services programs that are projected to result in costs of $1.4 billion General Fund in 2026-27. Of this amount, $1.1 billion in additional costs are in Medi-Cal—California's Medicaid program that provides health care services for more than 14 million low-income Californians. In addition, H.R. 1 will add nearly $300 million in costs to CalFresh—the state's Supplemental Nutrition Assistance Program providing food purchase assistance for adequate nutrition to more than 3 million California households. These costs are in addition to the natural growth in program cost and caseload since the 2025 Budget Act. see the Health and Human Services Chapter for more information.

A BALANCED 2026-27 BUDGET THAT MAINTAINS RESERVES

Since the approval of Proposition 2 in 2014, the Budget Stabilization Account (BSA) has been a key component of budget resiliency, a buffer against revenue volatility, and an insurance policy that has protected core state programs. Also known as the "Rainy Day Fund," it annually receives a deposit of 1.5 percent of General Fund tax revenue as well as a portion of General Fund revenues that result from capital gains.

Over the last two fiscal years, the state has withdrawn approximately $12.2 billion from the BSA and suspended deposits into the BSA for the 2024-25 and 2025-26 fiscal years. These actions have allowed the state to take a balanced approach by using a portion of these reserves as one component in closing prior budget shortfalls.

Consistent with these actions, the Budget suspends a $2.8 billion "true-up" deposit into the BSA in 2025-26. However, the Budget reflects a BSA deposit in 2026-27 of approximately $3 billion and a minor "true-up" for fiscal year 2024-25. After accounting for these actions, the BSA balance in 2026-27 is $14.4 billion—an increase compared to the 2025 Budget Act level of $11.2 billion.

In addition to this reserve amount, the Budget includes $4.5 billion in the Special Fund for Economic Uncertainties and $4.1 billion in the Public School System Stabilization Account—bringing the combined amount of reserves in 2026-27 to roughly $23 billion.

MAJOR ACCOMPLISHMENTS AND HISTORIC PROGRESS

Over the past seven years, the state has made unprecedented investments and enacted transformational policies through various Budget Acts that will benefit Californians for generations to come. These budget investments and accomplishments are included in the following chapters. Highlights include:

- **Child Care Slot Expansion**—Since 2020-21, the state has invested over $3.6 billion in additional General Fund to increase access to child care and development services, improve affordability for families, support the child care workforce, and strengthen capacity, including funding approximately 125,000 new subsidized child care slots.
- **Pre-K for All**—California has created universal access to free transitional kindergarten for all four-year-olds (over 400,000 children, 300,000 more than in 2021-22), with increased access to the California State Preschool Program for two-, three-, and four-year-olds.
- **Higher Education Compacts**—In spring 2022, the Administration entered into multi-year agreements known as Compacts with the University of California (UC) and the California State University (CSU) and the Roadmap with the CCC. These agreements focus on shared student-focused priorities, especially for resident students, such as increasing access to the UC and CSU, enhancing student success and advancing equity, making higher education more affordable, increasing intersegmental collaboration to benefit students, and supporting workforce preparedness and high-demand career pathways.
- **College Affordability**—Since 2018-19, CSU has increased the number of students graduating without any student loan debt from 53 percent to 65 percent, and UC has increased the number of students graduating without any student loan debt from 54 percent to 65 percent. The number of students receiving state financial aid increased from 429,306 in 2018-19 to 871,292 projected in 2025-26.

- **Climate Change**—$39.1 billion ($23.9 billion General Fund) has been dedicated to a portfolio of climate investments that reduce greenhouse gas emissions, including clean energy and transportation projects, and strengthen the state's resilience to the impacts of climate change, such as wildfires, floods, and droughts.
- **Wildfire Surge Capacity**—$1.5 billion General Fund ongoing has been dedicated and 5,237 positions have been created to expand the state's ability to respond to catastrophic wildfires, including $770.4 million and 2,457 positions for full implementation of the 66-hour work week in 2028-29.
- **Behavioral Health Continuum**—The state has invested over $10 billion total funds across various Health and Human Services departments to expand the continuum of behavioral health treatment and infrastructure capacity and transform the system for providing behavioral health services.
- **Developmental Services Rate Reform**—The 2021 Budget Act initiated the phased-in developmental services provider rate reform, with a focus on improving quality of service outcomes and addressing disparities within the system. At full implementation, the Budget is estimated to include approximately $3.5 billion ($2.1 billion General Fund) annually.
- **Housing and Homelessness Agency**—The Governor's Reorganization Plan established a dedicated state housing and homelessness agency to institutionalize the state's progress both now and over the long term. The new Agency will integrate housing programs, advance and protect civil rights, and simplify the administration of affordable housing programs.
- **Improving Public Safety**—California has invested approximately $2.1 billion ($1.8 billion General Fund and $300 million special funds) in various public safety efforts since 2021-22—including $194.6 million in 2026-27—in recognition of the importance of keeping Californians safe.
- **Clean California**—The Clean California program began in July 2021 with $1.2 billion in one-time funding as a transformative initiative to remove litter, create jobs, and beautify California. Since its implementation, along with clearing more than 3.4 million cubic yards of litter, Clean California has supported local art installations, new or ungraded recreational venues, and aesthetic improvements to shared public spaces.
- **Technology Modernization**—California has invested over $10 billion to accelerate the digital transformation of services, including Broadband for All, Technology Modernization and Stabilization, Cybersecurity, Generative AI and large scale IT

Project Implementation at the Franchise Tax Board, Department of Motor Vehicles, and Employment Development Department, making government operations more efficient, accessible, and effective for all Californians.

- **California Jobs First**—A total of $450 million General Fund has been allocated for California Jobs First. This initiative has produced the first statewide economic development strategy in 20 years, supported the development of 13 regional economic development strategies, driven investments into 260 early stage projects, and funded 11 ready-to-go projects that are expected to create upwards of 23,000 well-paying jobs.
- **Support for Small Businesses**—Over $4.8 billion General Fund has gone to the California Office of the Small Business Advocate (CalOSBA) since January 2019 to support California's 4.3 million small businesses and nonprofit entities.
- **California Earned Income Tax Credit (CalEITC) Expansion and Creation of the Young Child Tax Credit and the Foster Youth Tax Credit**—This Administration significantly expanded the CalEITC program from $400 million in 2019 and additionally created the Young Child Tax Credit and the Foster Youth Tax Credit to provide over $1.4 billion in relief by 2024 across the three programs to low-income families, families with young children, and former foster youth.

SUMMARY CHARTS

This section provides various statewide budget charts and tables.

2026-27 Governor's Budget
General Fund Budget Summary
(Dollars in Millions)

	2025-26	2026-27
Prior Year Balance	$55,951	$53,451
Revenues and Transfers	$235,162	$227,385
Total Resources Available	**$291,113**	**$280,836**
Non-Proposition 98 Expenditures	$155,749	$158,453
Proposition 98 Expenditures	$81,913	$89,877
Total Expenditures	**$237,662**	**$248,330**
Fund Balance	**$53,451**	**$32,506**
Reserve for Liquidation of Encumbrances	$27,998	$27,998
Special Fund for Economic Uncertainties	$25,453	$4,508
Public School System Stabilization Account	**$4,509**	**$4,102**
Safety Net Reserve	**-**	**-**
Budget Stabilization Account/Rainy Day Fund	**$11,327**	**$14,350**

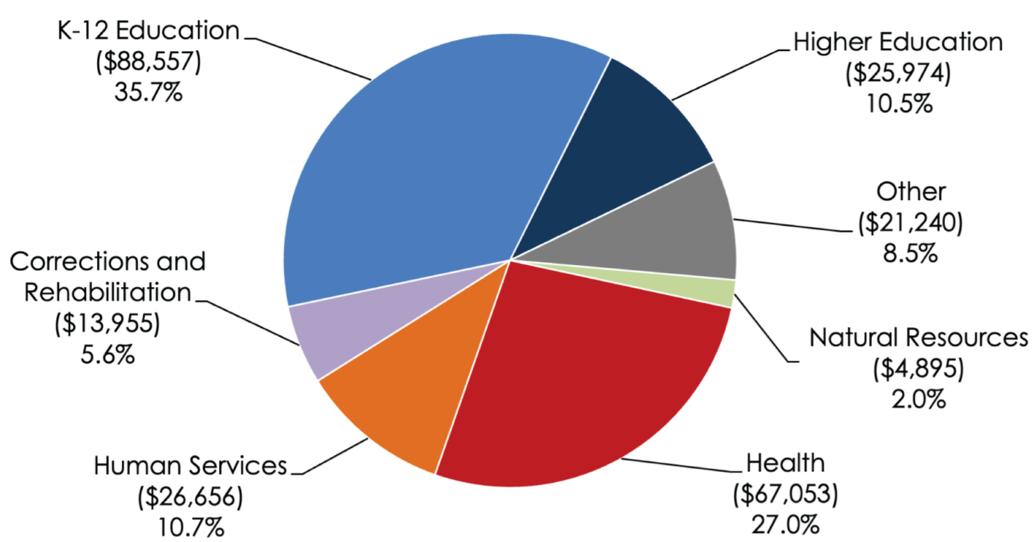
Note: Numbers may not add due to rounding.

General Fund Expenditures by Agency
(Dollars in Millions)

	2025-26	2026-27	Dollar Change from 2025-26
Legislative, Judicial, Executive	$10,460	$7,364	-$3,096
Business and Consumer Services	239	-	-239
Housing and Homelessness	2,393	1,038	-1,355
Transportation	764	455	-309
Natural Resources	6,400	4,895	-1,505
Environmental Protection	274	122	-152
Health and Human Services	89,144	93,709	4,565
Corrections and Rehabilitation	14,268	13,955	-313
K-12 Education	81,286	88,557	7,271
Higher Education	22,444	25,974	3,530
Labor and Workforce Development	1,127	983	-144
Government Operations	3,169	4,683	1,514
General Government:			
Non-Agency Departments	1,664	1,291	-373
Tax Relief/Local Government	757	480	-277
Statewide Expenditures	3,273	4,824	1,551
Total	**$237,662**	**$248,330**	**$10,669**

Note: Numbers may not add due to rounding.

2026-27
General Fund Expenditures
(Dollars in Millions)

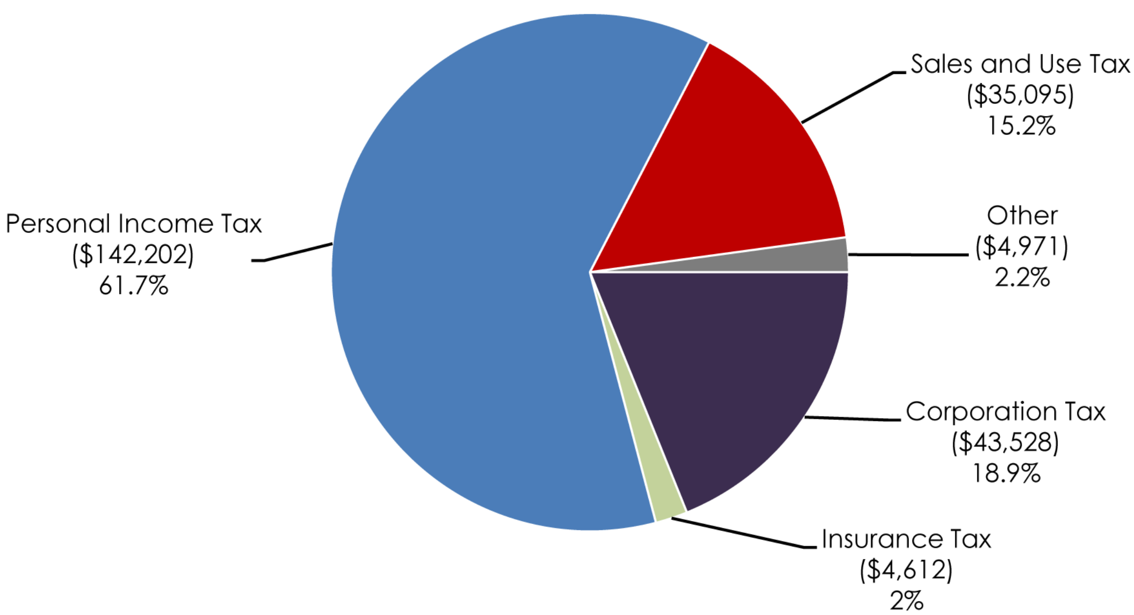


General Fund Revenue Sources
(Dollars in Millions)

	2025-26	2026-27	Change from 2025-26 Dollar Change	Change from 2025-26 Percent Change
Personal Income Tax	$137,840	$142,202	$4,362	3.2%
Sales and Use Tax	34,401	35,095	694	2.0%
Corporation Tax	41,702	43,528	1,826	4.4%
Insurance Tax	4,370	4,612	242	5.5%
Alcoholic Beverage Taxes and Fees	417	419	2	0.5%
Cigarette Tax	35	34	-1	-2.9%
Motor Vehicle Fees	46	46	0	0.0%
Other	9,251	4,472	-4,779	-51.7%
Subtotal	**$228,062**	**$230,408**	**$2,346**	**1.0%**
Transfer from/to the Budget Stabilization Account/Rainy Day Fund	7,100	-3,023	-10,123	-142.6%
Total	**$235,162**	**$227,385**	**-$7,777**	**-3.3%**

Note: Numbers may not add due to rounding.

2026-27
General Fund Revenues and Transfers[1/]
(Dollars in Millions)



[1/] Excludes $3 billion transfer to the Rainy Day Fund.

2026-27 Total State Expenditures by Agency

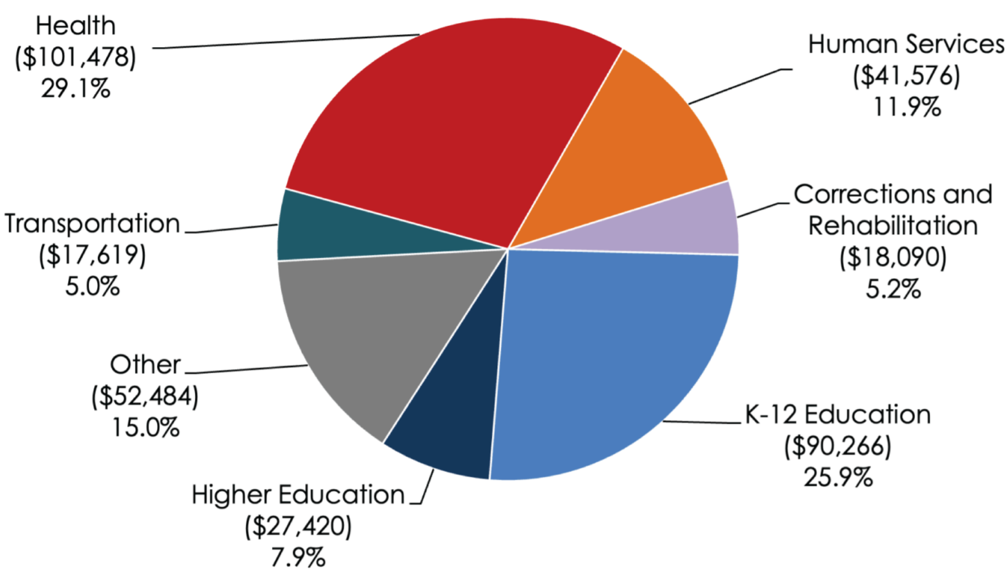
(Dollars in Millions)

	General Fund	Special Funds	Bond Funds	Totals
Legislative, Judicial, Executive	$7,364	$3,916	$875	$12,155
Business and Consumer Services	-	1,323	-	1,323
Housing and Homelessness	1,038	444	401	1,883
Transportation	455	16,676	489	17,619
Natural Resources	4,895	3,203	1,482	9,580
Environmental Protection	122	4,406	297	4,826
Health and Human Services	93,709	48,886	460	143,055
Corrections and Rehabilitation	13,955	4,136	-	18,090
K-12 Education	88,558	133	1,576	90,266
Higher Education	25,974	166	1,280	27,420
Labor and Workforce Development	983	1,160	-	2,143
Government Operations	4,683	279	11	4,972
General Government:				
Non-Agency Departments	1,291	2,287	77	3,654
Tax Relief/Local Government	480	3,868	-	4,348
Statewide Expenditures	4,824	2,776	1	7,600
Total	**$248,330**	**$93,656**	**$6,948**	**$348,934**

Note: Numbers may not add due to rounding.

2026-27 Total State Expenditures (Including Selected Bond Funds)

(Dollars in Millions)

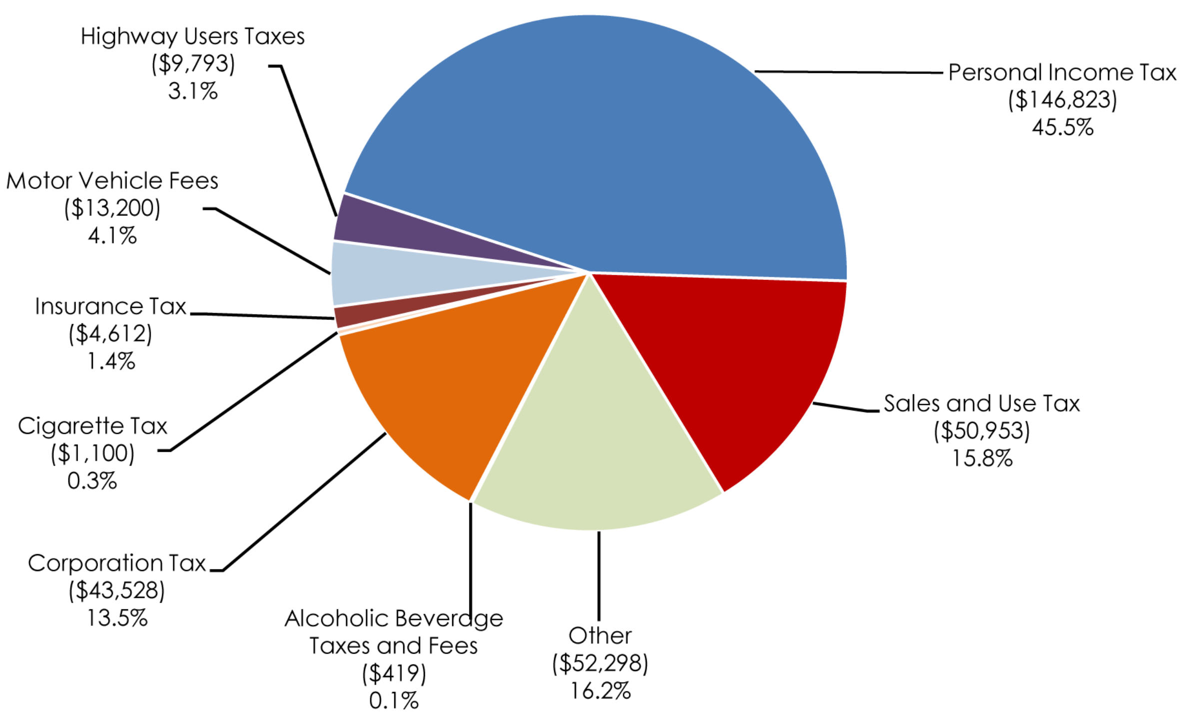


2026-27 Revenue Sources
(Dollars in Millions)

	General Fund	Special Funds	Total	Change From 2025-26
Personal Income Tax	$142,202	$4,621	$146,823	$4,527
Sales and Use Tax	35,095	15,858	50,953	935
Corporation Tax	43,528	-	43,528	1,826
Highway Users Taxes	-	9,793	9,793	186
Insurance Tax	4,612	-	4,612	243
Alcoholic Beverage Taxes and Fees	419	-	419	2
Cigarette Tax	34	1,066	1,100	-40
Motor Vehicle Fees	46	13,154	13,200	398
Other	4,472	47,826	52,298	830
Subtotal	**$230,408**	**$92,318**	**$322,726**	**$8,907**
Transfer to the Budget Stabilization Account/Rainy Day Fund	-3,023	3,023	-	-
Total	**$227,385**	**$95,341**	**$322,726**	**$8,907**

Note: Numbers may not add due to rounding.

2026-27
Total Revenues and Transfers
(Dollars in Millions)



TK-12 EDUCATION

California provides academic instruction and support services to nearly six million students in transitional kindergarten (TK) through grade twelve in more than 10,000 schools throughout the state. A system of 58 county offices of education, approximately 1,000 local school districts, and nearly 1,300 charter schools provide instruction in English, mathematics, history-social science, science, and other core competencies to provide students with the skills they will need upon graduation to enter the workforce and pursue higher education.

CALIFORNIA FOR ALL KIDS

Over the last four years, the California for All Kids plan has significantly transformed the delivery of public elementary and secondary education in California and improved English language arts and mathematics achievement. The investments associated with this plan have improved student academic achievement. Results from the 2024-25 statewide assessments of student academic performance show that California students made meaningful gains in English language arts, mathematics, and science statewide. All grades in all subjects saw an increase in the percentage of students scoring at proficient and advanced levels, as well as higher average scale scores compared to last year. Additionally, nearly all student groups—including Black/African American, Hispanic/Latino, and socioeconomically disadvantaged students—showed year-over-year gains in the percentage of students reaching proficient or advanced levels in English language arts, mathematics, and science. These improvements underscore California's commitment to opportunity for every learner.

Key accomplishments include:

- **Pre-K for All**—Universal access to free Transitional Kindergarten (TK) for all four-year-olds (over 400,000 children, 300,000 more than in 2021-22), with increased access to the California State Preschool Program for two-, three-, and four-year-olds. TK reached full implementation in 2025-26, with a total investment of $1.9 billion ongoing non-Proposition 98 General Fund.
- **Community Schools**—Statewide expansion of the community schools model, which is a whole-child approach that focuses on school engagement with families and community organizations, shared decision making, and coordination of services. Implementation of the model results in better home-school connections, academic supports, nutrition, after school and summer school enrichment and care, trauma-informed behavioral and physical health services, and access to social services. Data indicate that the first cohort of schools that benefited from this investment are showing significant reductions in chronic absenteeism, reduced suspensions, and improved test scores and academic achievement, with the largest gains for historically underserved students. To date, the state has invested $4.1 billion one-time Proposition 98 General Fund in community schools and achieved full deployment of planning and implementation grants to support nearly 2,500 schools (1 in every 4 schools in the state) in adopting the community schools model.
- **Before, After, and Summer School**—Year-round access to enrichment activities and before, after, and summer school supplemental education programs for all TK-6th grade children in low-income communities, English learners, and youth in foster care. This program reached full implementation in 2025-26 with an investment of $4.6 billion ongoing Proposition 98 General Fund. As a result, more than 1 million children gained access to free before, after, and summer school, an important benefit for those students and their families.
- **Universal School Meals**—Access to two high-quality, free school meals per school day for all TK-12th grade students. This program reached full implementation in 2022-23, with a total investment of approximately $1.8 billion ongoing Proposition 98 General Fund. As a result, nearly 1 billion meals are served through state and federal meal programs in California public schools every year. This investment improves children's health and learning, reduces stigma around free meals, and combats childhood hunger.
- **Educator Preparation and Support**—Well-prepared and well-supported teachers and school counselors accelerate learning for students. To address persistent educator shortages and improve instructional quality, the state has invested more

than $4 billion combined Proposition 98 and non-Proposition 98 General Fund for educator recruitment, retention, and training programs. As a result, the number of well-prepared public-school teachers in the state has increased, bringing stronger knowledge and skills to California classrooms. In addition, since 2019-20, the number of school staff has grown, despite a decline in student enrollment, reducing staff-to-student ratios statewide. During this time, the share of teachers of color increased by 5 percent. Further, since 2018-19, there has been a 10 percent statewide increase in school employees with pupil personnel services credentials.

- **Improved Services for Students with Disabilities**—More intervention-focused special education programs and increased funding for special education services; specifically, $2.2 billion increased ongoing Proposition 98 General Fund since 2018-19 (a 68-percent increase), including early intervention funds for pre-K and kindergarten students to improve student outcomes.
- **School-Based Behavioral Health Services**—Beginning with the 2021 Budget Act, approximately $4.2 billion non-Proposition 98 General Fund has been provided for the Children and Youth Behavioral Health Initiative, which supports integration between schools, health care plans, and county health and social services to address the needs of children and youth. This includes the implementation of the behavioral health fee schedule effective January 1, 2025, which requires private health plans to reimburse participating local educational agencies (LEAs) for school-based behavioral health services. More information on outcomes from the Initiative can be found in the Health and Human Services Chapter.
- **Improving Literacy for All Students**—The state's multifaceted strategy to improve literacy outcomes statewide is grounded in a comprehensive, research-driven approach, reflecting the diverse and multilingual learners in California's schools. The Golden State Literacy Plan outlines the key initiatives implemented in the last several years to improve reading achievement for California's students, including the TK-12 Literacy Roadmap and Preschool through Grade 3 Learning Progressions, Literacy Coaches and Reading Specialists grant program, and high-quality professional development for teachers. As of the 2025-26 school year, these efforts are reaching 2.6 million students in grades TK-5, including at over 800 high-need elementary schools that are now supported by literacy coaches and reading specialists. Additionally, as of fall 2025, all K-2nd grade students are being screened annually for risk of reading difficulties, including dyslexia, to provide early intervention and reading support for all children who need them.

PROPOSITION 98

The Proposition 98 Guarantee is a voter-approved constitutional amendment that guarantees minimum funding levels for TK-12 schools and community colleges (collectively referred to as TK-14 schools). The Guarantee, which went into effect in the 1988-89 fiscal year, determines state funding levels for schools according to multiple factors, including the level of funding in 1986-87, General Fund revenues, per capita personal income, and school attendance. The local control funding formula (LCFF) is the primary mechanism for distributing these funds to support all students attending TK-12 public schools in California.

The revised estimates of General Fund revenues result in notable adjustments to the Proposition 98 Guarantee. The Guarantee for TK-12 schools and community colleges is calculated to be $123.8 billion in 2024-25, $121.4 billion in 2025-26, and $125.5 billion in 2026-27. These revised Proposition 98 levels represent an increase of approximately $21.7 billion over the three-year period relative to the 2025 Budget Act.

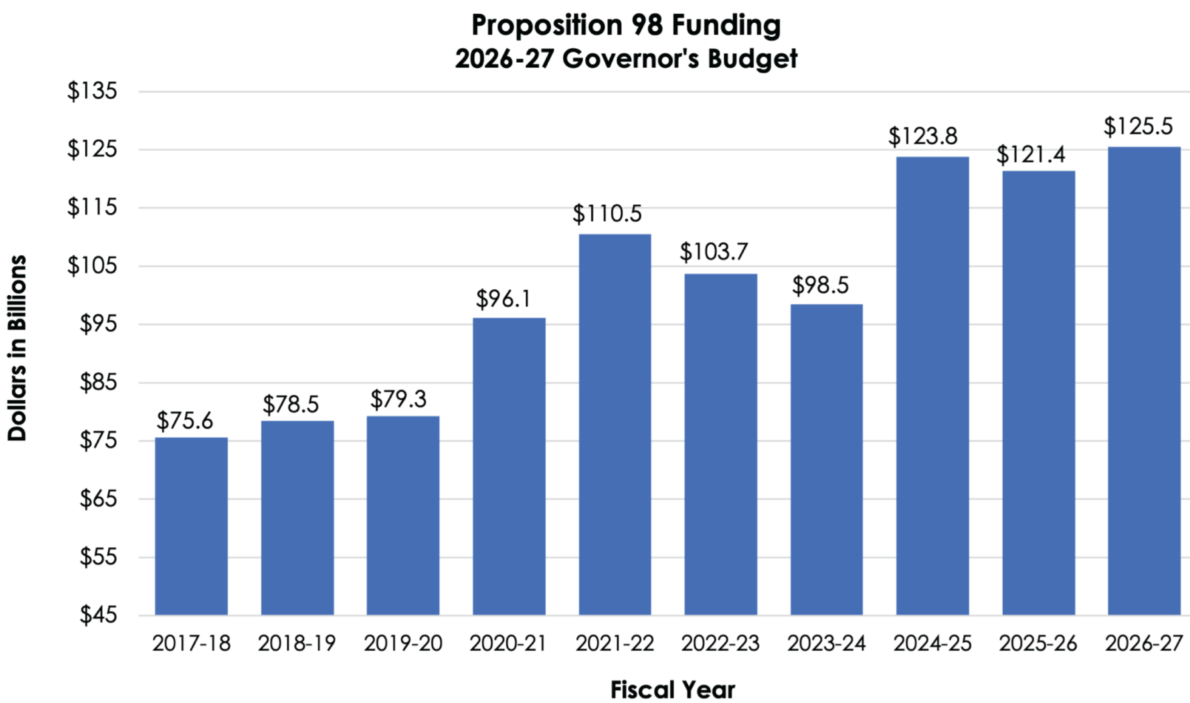
At the beginning of the three-year budget window, the Proposition 98 Guarantee had an outstanding maintenance factor balance of $8.3 billion. At the 2025 Budget Act, there was a projected mandatory maintenance factor payment of $5.5 billion in 2024-25. Revised Proposition 98 factors have increased that payment amount in the Budget to $7.8 billion. No other mandatory payments are projected in 2025-26 or 2026-27, leaving a $584.6 million maintenance factor balance at the end of 2026-27.

Due to the inherent risk in revenue projections, the 2025 Budget Act created $1.9 billion in settle-up in 2024-25, representing the difference between what was funded and what was calculated for Proposition 98 in that fiscal year. The Budget proposes to fully repay the settle-up balance in 2024-25. This increases the resources available for Proposition 98 in 2024-25.

Additionally, due to persistent uncertainty in revenue projections, the Budget proposes creating $5.6 billion in settle-up in 2025-26. This means that the funded level of the Guarantee in 2025-26 is $115.9 billion, instead of the calculated amount of $121.4 billion. This is intended to mitigate the risk of potentially appropriating more resources to the Guarantee than are ultimately available in the final calculation for 2025-26. Potential adjustments will be made at the May Revision and will not be final until the certification of the 2025-26 Guarantee level in spring 2027.

The Guarantee continues to be in a Test 1 for 2024-25, 2025-26, and 2026-27. This means that the funding level of the Guarantee is equal to roughly 40 percent of General Fund revenues, plus local property tax revenues. Pursuant to the Proposition 98 formula, this percentage of General Fund revenues is not reduced to reflect enrollment adjustments, which further increases per pupil funding.

The Budget includes total funding of $149.1 billion ($88.7 billion General Fund and $60.4 billion other funds) for all TK-12 education programs. TK-12 per pupil funding totals $20,427 Proposition 98 General Fund, a 74.6 percent increase over 2018-19, and $27,418 per pupil when accounting for all funding sources, a 60.8 percent increase over 2018-19. Both per pupil amounts are the highest level ever for California schools.



PROPOSITION 98 RAINY DAY FUND

The 2025 Budget Act projected a zero balance in the Public School System Stabilization Account, also known as the Proposition 98 Rainy Day Fund, reflecting: (1) a mandatory deposit of $455 million in 2024-25, and (2) a mandatory withdrawal of the full balance of $455 million in 2025-26.

Adjustments in capital gains revenues revise these amounts in the Budget, requiring an increased deposit of $3.8 billion in 2024-25, eliminating the mandatory withdrawal in 2025-26 and replacing it with a mandatory deposit of $424.3 million, and requiring a mandatory withdrawal of $407.1 million in 2026-27. Additionally, the Budget proposes a discretionary deposit of $240 million in 2025-26, further increasing the Proposition 98 safety net. At the end of the three-year budget window, the total balance in the Proposition 98 Rainy Day Fund is $4.1 billion.

Under current law, there is a cap of 10 percent on school district reserves in fiscal years immediately succeeding those in which the balance in the Proposition 98 Rainy Day Fund is equal to or greater than 3 percent of the total TK-12 share of the Proposition 98 Guarantee. The balance in the Proposition 98 Rainy Day Fund in all years of the three-year budget window triggers school district reserve caps in 2025-26 and 2026-27.

LOCAL CONTROL FUNDING FORMULA

The Budget includes an LCFF cost-of-living adjustment of 2.41 percent. When combined with population growth adjustments, this will result in an increase of roughly $2 billion in discretionary funds for LEAs. Additionally, budgetary deferrals of $1.9 billion for TK-12 education are fully repaid in 2026-27.

The Budget also includes an ongoing increase of $30.7 million Proposition 98 General Fund to provide a 20-percent increase in LCFF funding for Necessary Small Schools, which is the funding formula for the smallest schools in the state. These schools are the most heavily impacted by enrollment declines and attendance fluctuations; this additional funding will help them maintain instructional programming when student population fluctuates.

STATE EDUCATION GOVERNANCE

The Legislature has raised concern over the governance of California's K-12 education system in various legislative reports and policy documents for decades. According to its 2002 report "California's Master Plan for Education", "California's K-12 education system is governed by a fragmented set of entities with overlapping roles that sometimes operate in conflict with one another, to the detriment of educational services offered to students." This concern was reinforced in a December 2025 report, "TK-12 Education Governance in California," from Policy Analysis for California Education.

The Budget proposes to implement the 2002 Master Plan recommendation to amend the Education Code to move oversight authority of the management of the California Department of Education and support of LEAs under the State Board of Education. The Budget further proposes to provide the State Superintendent of Public Instruction the ability to strengthen coordination and alignment among the bodies setting policy from early childhood through postsecondary education. These changes will strengthen governance of California's education system to provide coherence and meaningful accountability to address the needs of students, parents, teachers, school staff, and administrators.

COMMUNITY SCHOOLS

Community schools partner with education, county, and nonprofit entities to provide integrated health, trauma-informed mental health, social services, and academic supports alongside high-quality, supportive instruction. In addition to these integrated student supports, community schools offer expanded learning time, active family and community engagement, and collaborative leadership practices.

Building on prior investments, the Budget proposes $1 billion ongoing Proposition 98 General Fund to expand the community school model to more school sites that have large concentrations of students from low-income families, English learners, and youth in foster care. To date approximately 2,500 schools in California have received community schools grants through the California Community Schools Partnership Program; this new funding would provide ongoing resources for these grantees and expand access to the model to thousands of additional high-need schools.

SPECIAL EDUCATION

The number of students with disabilities in California's public schools is growing; in 2018-19, the prevalence of students in special education programs was 12.9 percent of all students; by 2024-25 the rate grew to 14.9 percent. Over that time, the number of students in special education increased by more than 70,000 students, while total enrollment decreased by more than 380,000.

The Budget reflects the state's ongoing commitment to invest in and improve instruction and services for students with disabilities, proposing an increase of $509 million ongoing Proposition 98 General Fund to increase special education base rates. This additional funding will allow for full equalization of special education rates across the state, meaning that all LEAs will now receive the same rate per pupil for state special education funding.

Master Plan for Career Education: TK-12 Education

As discussed in the Higher Education Chapter, in alignment with the Master Plan for Career Education, the Administration is engaged in cross-agency collaboration to strengthen planning and coordination across state and regional education and workforce initiatives, to make it easier for Californians to receive college credit both while in high school and based on their real-world experience, and create more pathways to in-demand careers in California.

Building on prior Master Plan investments, the Budget proposes: (1) $100 million one-time Proposition 98 General Fund to increase access to college and career pathways for high school students, including expanding access to dual enrollment and dual credit opportunities, and (2) including prioritizing creation and expansion of dual enrollment and pathways programs with funds allocated through the $2.8 billion Student Support and Discretionary Block Grant.

Before, After, and Summer School

The Expanded Learning Opportunities Program provides funding for before, after, and summer school instruction and enrichment for students in grades TK-6, with a focus on LEAs with the highest concentrations of low-income students, English learners, and youth in foster care, otherwise known as unduplicated pupils.

Currently, LEAs with TK-6th grade and 55 percent or more unduplicated pupils (known as Tier 1 LEAs) must offer and provide universal access to subsidized before, after, and summer school, in accordance with statutory requirements. LEAs with TK-6th grade and less than 55 percent unduplicated pupils (known as Tier 2 LEAs) must offer access to before, after, and summer school to all unduplicated pupils, and must provide subsidized before, after, and summer school services to at least half of all unduplicated pupils. Currently, Tier 1 LEAs receive $2,750 per unduplicated pupil and Tier 2 LEAs receive a variable amount per unduplicated pupil, based on the availability of program funding.

The Budget proposes $62.4 million ongoing Proposition 98 General Fund to provide a guaranteed $1,800 per pupil for Tier 2 LEAs, stabilizing the existing variable Tier 2 rate. With this increase, total ongoing program funding is $4.7 billion Proposition 98 General Fund.

Teacher Preparation

Preparing, training, and recruiting a diverse, expert workforce of administrative, credentialed, and classified staff to work in public TK-12 schools continues to be critical to the success of the entire system. However, staffing shortages persist and make it imperative that barriers to teaching are removed for qualified teacher candidates, and that existing teachers are provided with the training they need to be successful. To this end, the Budget includes $250 million one-time Proposition 98 General Fund to continue educator residency programs through 2029-30. Educator residencies provide high-quality, clinically rich preparation for teachers and school counselors, with residency program participants having higher program completion and workforce retention rates than non-residency prepared teachers. Additionally, principals report residency-prepared teachers are more effective in their first and second years of teaching than their non-residency prepared peers. California has invested $620 million in residency programs over the last five years; these funds will be fully awarded by the end of 2025-26.

Student Support and Professional Development Discretionary Block Grant

In addition to the 2.41-percent cost-of-living adjustment provided to the LCFF and many other TK-12 education programs, the Budget proposes $2.8 billion one-time Proposition 98 General Fund for a discretionary block grant.

These funds will provide LEAs with additional fiscal support to manage attendance and enrollment declines, including those caused by federal government immigration actions, and address rising costs. The funds will also support implementation of statewide priorities including: (1) professional development for teachers on the English Language Arts/English Language Development (ELA/ELD) Framework and the Literacy Roadmap, with a focus on strategies to support literacy for English learners; (2) professional development for teachers on the Mathematics Framework; (3) teacher recruitment and retention strategies; (4) professional development for TK teachers and site administrators on the principles and guidelines of developmentally appropriate TK instruction; and (5) career pathways and dual enrollment expansion efforts consistent with the Master Plan for Career Education.

CHARTER SCHOOL ACCOUNTABILITY

Charter schools have administrative flexibilities that sometimes exempt them from requirements applicable to other public schools. To ensure that public funds are properly utilized, address fraud and malfeasance, and improve accountability and oversight, the Budget proposes new requirements for charter schools. It also provides for the use of verified data in the charter school renewal process until June 30, 2028.

SCHOOL FACILITIES

The recently approved Kindergarten through Grade 12 Schools and Local Community College Public Education Facilities Modernization, Repair, and Safety Bond Act of 2024 (Proposition 2) authorizes a total of $8.5 billion in state General Obligation bonds for TK-12 schools to be allocated through the School Facility Program. These funds are allocated across several key areas:

- $4 billion for modernization projects,
- $3.3 billion for new construction,
- $600 million for charter schools, and
- $600 million for career technical education projects.

The Budget continues to allocate $1.5 billion Proposition 2 bond funds to support school construction projects in 2026-27, similar to amounts allocated in prior years.

OTHER TK-12 RELATED ISSUES

SIGNIFICANT BUDGET ADJUSTMENTS

- **Learning Recovery Emergency Block Grant**—$757.3 million one-time Proposition 98 General Fund to support the Learning Recovery Emergency Block Grant, which provides funds to LEAs to establish learning recovery initiatives through the 2027-28 school year. This investment is expected to be the final payment to this program, which has received multi-year investments totaling $7.2 billion in past budgets to support schools in learning recovery efforts related to the COVID-19 Pandemic.

- **Home-to-School Transportation**—$322 million one-time and $239.2 million ongoing Proposition 98 General Fund to reflect higher costs in the Home-to-School Transportation Program.
- **Cost-of-Living Adjustments**—$228.2 million ongoing Proposition 98 General Fund to reflect a 2.41-percent cost-of-living adjustment for specified categorical programs and the LCFF Equity Multiplier. The specified categorical programs include Special Education, Child Nutrition, State Preschool, Foster Youth Services Coordinating Program, Mandates Block Grant, Adults in Correctional Facilities Program, Charter School Facility Grant Program, American Indian Education Centers, and the American Indian Early Childhood Education Program.
- **Kitchen Infrastructure and Training**—$100 million one-time Proposition 98 General Fund for specialized kitchen equipment, infrastructure, and training to support schools in providing more freshly prepared meals made with locally grown ingredients.
- **Reading Difficulties Risk Screening**—$40 million one-time Proposition 98 General Fund to support continued implementation of student reading difficulties screenings. The 2023 Budget Act required LEAs to begin screening students in kindergarten through second grade, for risk of reading difficulties, including dyslexia, beginning in the 2025-2026 school year. Additionally, the Budget proposes statutory changes to clarify the appropriate administration of the screeners to ensure the consistency and quality of results.
- **L.A. County School Wildfire Recovery**—$22.9 million one-time Proposition 98 General Fund to support LEAs that are continuing to recover from the January 2025 Los Angeles County wildfires.
- **Universal and Targeted Assistance**—$13.3 million additional ongoing Proposition 98 General Fund, for a total of $131.9 million, for county offices of education to provide universal and targeted support to school districts and charter schools, including those eligible for differentiated assistance. This funding will align with updates to local educational agency assistance and intervention performance criteria that the State Board of Education is required to adopt pursuant to Chapter 8, Statutes of 2025 (AB 121). The Budget includes statutory changes to allow for the updated performance criteria to target longer-term support where the demonstrated needs are greatest.
- **Fiscal Crisis and Management Assistance Team (FCMAT)**—$994,000 in additional ongoing Proposition 98 General Fund to support increased FCMAT workload.

- **California School Information System (CSIS)**—$966,000 in additional ongoing Proposition 98 General Fund to support increased CSIS costs.
- **Curriculum-Embedded Performance Tasks for Science**—$890,000 ongoing Proposition 98 General Fund to maintain performance task resources at the Los Angeles County Office of Education in support of inquiry-based science instruction and the state's Next Generation Science Standards.
- **K-12 High Speed Network**—$629,000 in additional ongoing Proposition 98 General Fund to support the K-12 High Speed Network program.
- **County Offices of Education LCFF**—An ongoing decrease of $15.6 million Proposition 98 General Fund to reflect ADA changes applicable to the county office of education LCFF, and a 2.41-percent cost-of-living adjustment.
- **School Nutrition Programs**—An ongoing decrease of $67.9 million Proposition 98 General Fund to support the Universal School Meals program, reflecting a reduction in 2025-26 estimates compared to the 2025 Budget Act projections and an increase in meal reimbursement rates.
- **Local Property Tax Adjustments**—A decrease of $18 million Proposition 98 General Fund for school districts and county offices of education in 2025-26, and a decrease of $1.4 billion ongoing Proposition 98 General Fund for school districts and county offices of education in 2026-27, resulting from increased offsetting property taxes.
- **Holocaust and Genocide Education Grant Program**—Although no funding is included in the Budget for this purpose, the Administration intends to propose up to $10 million one-time Proposition 98 General Fund at the May Revision to provide grants to LEAs for instructional materials, professional development, and related costs to implement holocaust and genocide education pursuant to Chapter 761, Statutes of 2025 (SB 472). These proposed funds are contingent upon the inclusion of clean-up amendments to the statutory language, agreed to by both the Administration and Legislature.

HIGHER EDUCATION

The Governor's Budget reflects the fifth year of the multi-year compacts with the University of California (UC) and the California State University (CSU), and of a multi-year roadmap with the California Community Colleges (CCCs), that focus on shared priorities benefiting students.

MAJOR HIGHER EDUCATION ACCOMPLISHMENTS

Since 2019, and with the support of the Administration and the Legislature, the higher education segments have been successful in improving student outcomes. Additionally, in spring 2022, the Administration entered into multi-year agreements known as the Compacts with UC and CSU and the Roadmap with the CCC. These agreements focus on shared student-focused priorities, especially for resident students, such as increasing access to the UC and CSU, enhancing student success and advancing equity, making higher education more affordable, increasing intersegmental collaboration to benefit students, and supporting workforce preparedness and high-demand career pathways. Each segment identified goals that were mutually agreed upon to work toward, alongside commitments for year-over-year funding increases with the state. Examples of progress towards these outcomes are outlined below.

UNIVERSITY OF CALIFORNIA

- The UC has increased the number of students graduating without any student loan debt, from 54 percent to 65 percent. For the 2018-19 academic year, 98,800 students graduated debt-free out of a total of 182,945 undergraduates. By the 2023-24 academic year, that figure had grown to about 129,200 debt-free students out of 198,718—an increase of more than 30,000 students graduating without loan debt.
- The UC enrolled its largest cohort of California resident undergraduates in academic year 2024-25, with an increase of 14,774 between 2022-23 and 2024-25. Additionally, from fall 2018 to fall 2024, total enrollment at all UC campuses increased from 280,380 to 299,407—the equivalent of adding an additional campus.
- Since 2016-17, UC increased the number of degrees awarded in science, technology, engineering, and mathematics (STEM) and educational fields by 38 percent, representing 80 percent of the overall growth in degrees awarded.

CALIFORNIA STATE UNIVERSITY

- The CSU has increased the number of students graduating without any student loan debt, from 53 percent to 65 percent. For the 2018-19 academic year, 57,600 students graduated debt-free out of a total of 107,300 undergraduates. By the 2023-24 academic year, that figure had grown to about 67,300 debt-free students out of 103,800—an increase of almost 10,000 students graduating without loan debt.
- Following two years of pandemic-related enrollment declines, the CSU increased total and undergraduate enrollment in both 2024-25 and 2025-26, with total enrollment of 471,451 and undergraduate enrollment of 416,531.
- In January 2022, CSU transitioned its Humboldt campus into a polytechnic campus, making Cal Poly Humboldt the third polytechnic institution in the system. The transition was supported by more than $458 million General Fund and expands access to postsecondary natural sciences, applied sciences, technology, and engineering programs in Northern California. All programs are projected to be implemented by 2027.

CALIFORNIA COMMUNITY COLLEGES

- Following two years of pandemic-related enrollment declines, the CCCs enrollment levels have recovered to 2.2 million students in 2024-25, and further growth is anticipated in 2025-26 and 2026-27.
- In addition to the CCC's overall enrollment recovery, the CCC's saw:
  - Increased headcount of dual enrollment students to roughly 285,000, which is an increase of 55 percent since 2018-19.
  - Increased number of students completing degrees and certificates to approximately 156,000 in 2024-25, which is an increase of 10 percent from 2018-19.
  - A reduction in the average number of student excess units for associate degrees for transfer to 81 units in 2023-24, which is a decrease of 8 percent from 2018-19.

OTHER NOTABLE HIGHLIGHTS

- The number of students receiving state financial aid more than doubled from 429,306 in 2018-19 to 871,292 projected in 2025-26.
- As a result of recent state investments, it is estimated that by the time all approved projects have completed construction the number of students in state-funded affordable student housing will grow by nearly 12,000 low-income students annually—with heavily subsidized rent across 40 campuses at the UC, CSU, and CCCs. Students benefiting from affordable rent will be required to take a full-time courseload at their respective colleges, with the goal of educational outcomes such as improved time to completion for these students.

The Budget proposes total funding of $50.4 billion ($31.4 billion General Fund and local property tax, and $19 billion other funds) for the three higher education segments and the California Student Aid Commission. The figure on Higher Education Expenditures below displays additional detail about funding for higher education.

Higher Education Expenditures
(Dollars in Millions)

	2024-25	2025-26	2026-27	Change from 2025-26 Dollars	Change from 2025-26 Percent
University of California					
Ongoing General Fund	$4,860.7	$4,895.1	$5,386.3	$491.2	9.1%
One-Time General Fund	3.8	46.7	-	-46.7	-
Total Funds [1/]	$11,179.5	$11,442.2	$12,217.3	$775.1	6.3%
California State University					
Ongoing General Fund	$5,479.2	$5,621.8	$6,191.7	$569.9	9.2%
One-Time General Fund	5.0	65.8	-	-65.8	-
Total Funds [1/]	$9,028.3	$9,507.8	$10,187.7	$679.9	6.7%
California Community Colleges					
General Fund & Property Taxes	$14,790.6	$14,132.8	$15,409.9	$1,277.1	9.0%
Total Funds [2/]	$23,037.6	$23,085.0	$23,140.9	$55.9	0.2%
California Student Aid Commission					
General Fund [3/]	$3,532.3	$3,068.4	$4,373.1	$1,304.7	42.5%
Total Funds	$3,951.3	$3,487.5	$4,792.3	$1,304.9	37.4%
General Fund	**$28,671.6**	**$27,830.6**	**$31,361.1**	**$3,530.4**	**12.7%**
Total Funds	**$47,196.7**	**$47,522.5**	**$50,338.2**	**$2,815.7**	**5.9%**

1/ These totals include tuition and fee revenues and other funds the universities report as discretionary.

2/ Withdrawals from the Public School System Stablization Account are reflected in this row.

3/ General Fund expenditures for the Cal Grant program are offset by reimbursements, including approximately $400 million in federal Temporary Assistance for Needy Families (TANF) funds received through an agreement with the Department of Social Services.

UNIVERSITY OF CALIFORNIA

The University of California (UC) offers formal undergraduate and graduate education, is the public segment authorized to independently award doctoral degrees, and is designated as the state's primary academic agency for research. Its ten campuses enroll nearly 299,000 students, and the UC extension centers register an additional 500,000 participants in continuing education programs. In 2024-25, the UC awarded more than 89,000 degrees, including over 65,000 undergraduate degrees.

The Budget proposes $5.3 billion General Fund for the UC, an increase of almost 50 percent since 2018-19. Specifically, the Budget includes an increase of $254.3 million ongoing General Fund, representing a 5-percent base increase, for the UC. This reflects the fifth and final payment of the multi-year compact, fully meeting the state's obligation for 2026-27. Further, the Budget also includes an additional base funding increase of $96.3 million ongoing General Fund, representing partial funding of the fourth-year compact payment as scheduled in the 2025 Budget Act.

In alignment with the 2025 Budget Act, the Budget also maintains the planned one-time deferral of the 2025-26 fourth-year compact payment of $240.8 million to 2027-28. Additionally, the Budget maintains the deferral of $31 million to offset revenue reductions associated with the replacement of 902 nonresident undergraduate students enrolled at three campuses with an equivalent number of California resident undergraduate students, from 2025-26 to 2027-28.

Finally, the Budget extends the deferral of a one-time 3-percent base decrease of $129.7 million included in the 2025 Budget Act, shifting the repayment from 2026-27 to 2027-28. To mitigate the impacts of this delay, the Budget provides the UC with authority for a cash flow loan in 2026-27, which will allow the UC to repay and retire its existing 2025-26 cash flow loan.

The Administration continues to be committed to the multi-year compact with the UC and expects the segment to continue its efforts to meet the compact goals. This approach enables the UC to continue committing to the compact goals to expand student access, equity, and affordability, and to create pathways to high-demand career opportunities. The Administration will continue to monitor the UC's actions toward meeting the compact goals.

CALIFORNIA STATE UNIVERSITY

The California State University (CSU) provides undergraduate and graduate instruction generally up to the master's degree. Its 22 campuses enroll more than 471,000 students. In 2024-25, the CSU awarded approximately 123,000 degrees. The CSU also provides opportunities for residents to enroll in professional and continuing education programs. The CSU provides four-year education in some of the most underserved regions of the state, including the Far North, the Central Valley, and the Inland Empire.

The Budget proposes $5.6 billion General Fund for the CSU, an increase of almost 53 percent since 2018-19. Specifically, the Budget includes an increase of $264.8 million ongoing General Fund, representing a five-percent base increase, for the CSU. This reflects the fifth and final payment of the multi-year compact, fully meeting the state's obligation for 2026-27. Further, the Budget also includes an additional base funding increase of $100.9 million ongoing General Fund, representing partial funding of the fourth-year compact payment as scheduled in the 2025 Budget Act.

In alignment with the 2025 Budget Act, the Budget also maintains the planned one-time deferral of the 2025-26 fourth-year compact payment of $252.3 million to 2027-28.

Finally, the Budget extends the deferral of a one-time 3-percent base decrease of $143.8 million included in the 2025 Budget Act, shifting the repayment from 2026-27 to 2027-28. To mitigate the impacts of this delay, the Budget provides the CSU with authority for a cash flow loan in 2026-27, which will allow CSU to repay and retire its existing 2025-26 cash flow loan.

The Administration continues to be committed to the multi-year compact with the CSU and expects the segment to continue its efforts to meet the compact goals. This approach enables CSU to continue committing to the compact goals to expand student access, equity, and affordability, and to create pathways to high-demand career opportunities. The Administration will continue to monitor the CSU's actions toward meeting the compact goals.

CALIFORNIA COMMUNITY COLLEGES

The California Community Colleges (CCCs) are the largest system of higher education in the country, serving roughly one out of every five of the nation's community college students, or approximately 2.2 million students. The CCCs provide basic skills, vocational, and undergraduate transfer education with 73 districts, 116 campuses, and 78 educational centers. In 2024-25, the CCCs awarded over 132,000 certificates and 206,000 degrees and transferred over 98,000 students to four-year institutions.

The Budget proposes $15.4 billion in General Fund and property taxes for the CCCs, which is an increase of almost 50 percent since 2018-19. The Budget reflects a continued focus on the CCC multi-year roadmap, which prioritizes student success and enhances the system's ability to prepare students for California's future.

SIGNIFICANT STUDENT-CENTERED FUNDING FORMULA (SCFF) BUDGET ADJUSTMENTS

- **Payment of 2025 Budget Act Deferrals**—A one-time increase of $408.3 million to fully repay deferrals for the SCFF in 2026-27.
- **CCC Apportionments Cost-of-Living Adjustment (COLA) and Growth**—An increase of $240.6 million Proposition 98 General Fund to provide a 2.41-percent COLA for SCFF apportionments and $31.9 million Proposition 98 General Fund for 0.5-percent enrollment growth. The Budget also includes an increase of $55.3 million Proposition 98 General Fund to fund additional enrollment growth of 1 percent in

fiscal year 2025-26, and it is the Administration's expectation that the net effect of these two enrollment growth investments support a combined growth percentage of 1.5 percent in 2026-27.

- **SCFF Adjustment in 2025-26**—A one-time increase of $88.7 million Proposition 98 General Fund to fund increasing SCFF costs in 2025-26.
- **Proposition 98 Rainy Day Fund**—A one-time withdrawal of $44.5 million from the Proposition 98 Rainy Day Fund to support SCFF costs in 2026-27.

OTHER SIGNIFICANT BUDGET ADJUSTMENTS

- **Community College Facilities**—A one-time increase of $736.9 million Proposition 2 bond funds to finance 10 new projects and 29 continuing projects at the community colleges.
- **Deferred Maintenance**—A one-time increase of $120.7 million Proposition 98 General Fund to address deferred maintenance needs.
- **Student Support Block Grant**—A one-time increase of $100 million Proposition 98 General Fund for a flexible block grant for the community colleges system.
- **Common Cloud Data Platform**—An increase of $41 million Proposition 98 General Fund, $5 million of which is ongoing, for further scaling of the common cloud data platform across the community college system.
- **Calbright College**—An increase of $38.1 million Proposition 98 General Fund to support and provide stable funding for Calbright College in its base operations as it transitions out of its startup capacity.
- **Credit for Prior Learning**—An increase of $37 million Proposition 98 General Fund, $2 million of which is ongoing, to support and build upon the Credit for Prior Learning Initiative, as mentioned below in the Master Plan for Career Education section.
- **Categorical Program COLA**—An increase of $30.6 million Proposition 98 General Fund for a COLA of 2.41 percent for select categorical programs.
- **California Healthy School Food Pathways Program**—An increase of $14.3 million Proposition 98 General Fund for community colleges to support the California Healthy School Food Pathways Program, which strengthens the school food service workforce through apprenticeship and training programs.

- **Apprenticeship Related and Supplemental Instruction (RSI) Costs Backfill**—A one-time increase of $13.4 million Proposition 98 General Fund to backfill apprenticeship RSI costs in 2024-25 and 2025-26.
- **Local Property Tax Adjustments**—A decrease of $346.4 million Proposition 98 General Fund due to increased offsetting local property tax revenues.

CALIFORNIA STUDENT AID COMMISSION

The Budget reflects a total financial aid expenditure in 2026-27 of $4.4 billion, an increase of more than 83 percent over 2018-19. These funds are expected to reach over 925,000 higher education students in the state.

Of this total, $3.2 billion will be allocated to support Cal Grant. Cal Grant is the state's largest financial aid program and is administered by the California Student Aid Commission. This entitlement program provides financial aid awards to approximately 500,000 students who meet specified eligibility criteria and who attend one of the state's qualifying public and private universities, colleges and vocational schools.

Students who demonstrate financial need, but do not meet all the criteria for entitlement awards, may qualify for one of 19,000 proposed competitive Cal Grant awards. Most of these awards cover the cost of tuition and fees and provide a stipend to cover some living expenses, such as housing, food, and transportation.

The Budget provides $1.1 billion General Fund for the Middle Class Scholarship, which is the state's second-largest scholarship program, to reimburse the cost of grants up to 35 percent of student need in 2025-26. In 2025-26, approximately 350,000 students are expected to receive a Middle Class Scholarship award. For the 2026-27 school year, the Budget projects available reimbursement of $513 million General Fund, sufficient to provide grants of up to 17.5 percent of student need.

SIGNIFICANT BUDGET ADJUSTMENT

- **Golden State Teacher Grant Program Reappropriation**—Reappropriation of $14.4 million General Fund from the 2021 Budget Act to support the Golden State Teacher Grant Program in 2026-27.

STUDENT HOUSING

The 2021 Budget Act established the Higher Education Student Housing Grant Program with the goal of providing affordable housing for students enrolled at UC, CSU, and CCC campuses. The 2023 and 2024 Budget Acts shifted roughly $2 billion in prior and planned General Fund support for UC, CSU, and CCC affordable student housing grants to: (1) UC- and CSU-issued bonds for approved UC and CSU projects, and (2) state-issued lease revenue bonds under the State Public Works Board for approved CCC projects.

The Budget reflects the Administration's ongoing General Fund commitment to these projects and the affordable housing that will be available to students across all segments, specifically:

- For the UC, more than 7,000 new beds are expected to be available to students by fall 2028, of which more than 3,400 will be subsidized as part of the program's statutory requirements.
- For the CSU, more than 5,000 new beds are expected to be available to students by fall 2027, of which more than 3,700 will be subsidized as part of the program's statutory requirements.
- For the CCCs, more than 5,800 new beds are expected to be available to students by 2029, of which more than 4,800 are projected to be subsidized as part of the program's statutory requirements.

MASTER PLAN FOR CAREER EDUCATION

In April 2025, after extensive statewide stakeholder engagement, the Administration released the state's first Master Plan for Career Education, with the goals of: (1) aligning state education and workforce development programs with the needs of the future economy, (2) better coordinating and streamlining programs regionally and across state agencies, and (3) ensuring that the state's students and adult learners have affordable access to the educational and career preparation opportunities needed to navigate to and obtain good paying jobs that lead to sustained career pathways.

The 2025 Budget Act included investments to begin implementation of the Master Plan, including:

- $25 million one-time Proposition 98 General Fund for the development of a Career Passport, a secure digital tool that displays an individual's validated skills, credentials, and academic achievements, which is intended to be shared with employers and institutions of higher education to present a skills-based portrait of an individual's education, career, and experience.
- $15 million one-time and $5 million ongoing Proposition 98 General Fund for the Credit for Prior Learning Initiative, which builds upon, expands, and embeds processes for awarding credit for prior learning across the community college system. Information on validated skills from credit for prior learning initiatives would be documented in a Career Passport.
- $1.5 million ongoing General Fund for the Government Operations Agency to establish the California Education Interagency Council to improve planning and coordination between elementary, secondary, and postsecondary education agencies and workforce development agencies and related entities aligned with recommendations of the Master Plan.
- $1 million one-time General Fund for the Labor and Workforce Development Agency to evaluate how regional coordination models can be expanded to create sustainable forums where educators, workforce training providers, and employers can work to align programs with employer needs.

The Budget proposes the following new investments to implement key provisions of the Master Plan, with additional phases of implementation to be considered in future fiscal years:

- $100 million one-time Proposition 98 General Fund to increase access to college and career pathways for high school students, including expanding access to dual enrollment. See the TK-12 Education Chapter for more information.
- $37 million Proposition 98 General Fund, of which $2 million is ongoing, to further support and expand the Credit for Prior Learning Initiative. These additional funds are intended to provide a fiscal incentive that will allow more community college campuses to participate in the development of credit for prior learning, increasing access to the initiative for more students.

CLIMATE CHANGE

California continues to build a clean and resilient future, growing its economy as it moves towards achieving commitments to utilize 100 percent clean electricity, reduce petroleum consumption by 94 percent, and cut air pollution by 71 percent, all by 2045. The state is leading the deployment of Zero-Emission Vehicles (ZEVs), building the nation's first true high-speed rail system, and transforming lands from a carbon source to a carbon sink. At the same time, California is urgently addressing existing climate threats by protecting communities from wildfire and sea level rise, reducing health risks from extreme heat, and preparing for both drought and flood conditions. California's approach to confronting and addressing climate change strengthens the economy, builds water and food security, and safeguards a livable future.

CLIMATE AND OPPORTUNITY BUDGET

California's Climate and Opportunity Budget investments underscore the state's steadfast commitment to cutting pollution and reducing climate risks, with historic investments in the expansion of ZEVs, climate innovation, and opportunities for fostering high-quality jobs. Despite federal headwinds and challenging fiscal conditions, California will continue to build the future with cleaner air, good jobs, and economic growth.

Climate and Opportunity Budget
(Dollars in Millions)

Investment Category	Amount Appropriated
Transportation	$13,030
Drought & Water Resilience	$6,497
Zero-Emission Vehicles	$6,273
Energy	$4,609
Wildfire & Forest Resilience	$2,441
Community Resilience	$1,326
Nature-Based Solutions	$1,287
Sustainable Agriculture	$1,183
Coastal Resilience	$613
Circular Economy	$437
Extreme Heat Mitigation	$284
Other Investments	$1,124
Total	**$39,104**

MAJOR ACCOMPLISHMENTS

Since 2021, $39.1 billion ($23.9 billion General Fund) has been dedicated to a portfolio of climate action across multiple sectors including water, energy, lands, transportation, and more. Some key outcomes from this funding include:

- Investing $1 billion one-time General Fund in grants for 382 projects to provide immediate and near-term financial and technical assistance to communities facing water supply challenges because of drought. Small community projects included providing emergency water system repairs, consolidation of smaller systems into larger neighboring systems, and delivering bottled and hauled water to California residents whose wells have gone dry. Larger, urban projects included infrastructure upgrades, portable water hauling systems, and new water storage tanks.
- Making significant progress toward California's commitment to conserve 30 percent of lands and coastal waters by 2030 (30x30). Currently, 26.1 percent of lands and 21.9 percent of coastal waters are protecting California's unique biodiversity, delivering climate benefits, and increasing outdoor access for all.
- Supporting over 2,000 wildfire resilience and forest health projects, including fuel breaks around communities, prescribed fire projects, and landscape-scale forest health projects. These projects are demonstrating effective methods to protect communities, keep wildfires from growing larger and more dangerous, and aid firefighters in combating wildfires.

- Supporting 32 communities along the coast and San Francisco Bay to begin sea level rise adaptation planning through the state's Sea Level Rise Adaptation Grant Program.
- Funding nearly 3,000 climate smart agriculture projects across 300,000 acres resulting in the reduction of approximately 27.7 million metric tons of carbon dioxide—the equivalent of taking 6.4 million cars off the road and saving 1.5 million acre-feet of water.
- Awarding $100 million from the Tribal Nature-Based Solutions grant program to support approximately 49,000 acres of ancestral land returned to California Native American tribes.
- Investing $215 million in the Transformative Climate Communities Program, supporting ten disadvantaged, unincorporated, and tribal communities in planning and implementing neighborhood-level capital projects that improve public health, enhance environmental quality, and expand economic opportunity. These investments are expected to reduce greenhouse gas emissions by more than 64,000 metric tons.
- Advancing organic waste recycling efforts, including dedicating nearly $425 million ($105.8 million General Fund) to bolster organic waste infrastructure and to implement new programs. In 2023, CalRecycle awarded $130.6 million to 23 projects that are projected to divert 7.7 million tons of green and food material from landfills and reduce over 2 million metric tons of greenhouse gas emissions.

For additional information on the key outcomes of Climate and Opportunity Budget investments, see the Zero-Emission Vehicle and Energy sections of this chapter, as well as the Natural Resources and Environmental Protection Chapters.

CAP-AND-INVEST

Since its establishment under the Global Warming Solutions Act of 2006, California's newly rebranded Cap-and-Invest program remains globally recognized as a cost-effective tool for reducing carbon pollution while generating billions of dollars to support investments in innovative and pollution-reducing projects and providing bill relief to utility customers. The program was officially launched in 2012 and reauthorized in 2017. Most recently, Chapter 117, Statutes of 2025 (AB 1207) renamed the program as the Cap-and-Invest program and extended its authorization to 2045, keeping California on a path to achieve its carbon neutrality target by 2045.

In contrast to the recent actions at the federal level, the Cap-and-Invest program continues to be a critical, cost-effective tool for achieving California's climate goals. The program's extension, coupled with swift regulatory action by the California Air Resources Board (CARB), helps stabilize the market and auction proceeds, builds confidence in California's climate commitment for generations, and sends critical investment signals to support clean technology deployment. Furthermore, the program's continuation enables California to further invest in programs that deliver effective pollution reduction results, support clean transportation and communities, and help address energy affordability through the California Climate Credit on utility bills.

Consistent with AB 1207 and Chapter 121, Statutes of 2025 (SB 840), the Budget proposes the following Greenhouse Gas Reduction Fund (GGRF) expenditure plan, reflecting changes to the Cap-and-Invest program while continuing to support the state's climate and air quality goals.

The new Cap-and-Invest structure includes three tiers of expenditures, with Tier 1 fully funded first, followed by Tiers 2 and 3:

- **Tier 1**—Manufacturing Tax Credit, State Operations, State Responsibility Area Backfill, and the Legislative Counsel Climate Bureau.
- **Tier 2**—$1 billion for High-Speed Rail and $1 billion for discretionary funding. Of the $1 billion in discretionary funding, $250 million is reserved in 2026-27 for various investments identified in SB 840. The remaining $750 million from the $1 billion in discretionary funding supports the CAL FIRE General Fund backfill.
- **Tier 3**—Previously percentage-based continuous appropriations are now capped dollar amounts, with proportionately related allocations that adjust downwards as necessary to ensure Tiers 1 and 2 are fully funded.

The Budget maintains the 2025 Budget Act agreement to support CAL FIRE operation costs with $1.25 billion GGRF in 2026-27, $500 million in 2027-28, and $500 million in 2028-29.

The Budget also includes statutory adjustments to clarify SB 840 and modernize the Affordable Housing and Sustainable Communities program by separating the affordable housing components from the sustainable communities and agricultural land conservation components.

2026-27 Cap-and-Invest Expenditure Plan

(Dollars in Millions)

Tier	Program	2026-27	2027-28	2028-29	2029-30
Tier 1 Appropriations	Manufacturing Tax Credit	$159	$163	$168	$174
	State Operations	$120	$124	$127	$131
	State Responsibility Area Fee Backfill	$88	$88	$88	$88
	Legislative Counsel Climate Bureau	$3	$3	$3	$3
Tier 2 Appropriations	High Speed Rail Authority	$1,000	$1,000	$1,000	$1,000
	$1 billion reserved for discretionary appropriations:				
	- CAL FIRE General Fund Shift[1/]	$750	$500	$500	$0
	- SB 840 Commitments	$250	$0	$0	$0
	- Remaining Amount Available for Tier 2 Discretionary Funding	$0	$500	$500	$1,000
Tier 3 Appropriations[2/]	Affordable Housing	$396	$435	$475	$516
	Transit and Intercity Rail Capital Program	$283	$311	$339	$369
	Community Air Protection	$177	$194	$212	$231
	Sustainable Communities and Agricultural Land Conservation	$170	$186	$204	$221
	Low Carbon Transit Operations Program	$141	$155	$170	$184
	Healthy and Resilient Forests	$141	$155	$170	$184
	Safe & Affordable Drinking Water Program	$92	$101	$110	$120

[1/] Remaining $500 million for the CAL FIRE General Fund shift in 2026-27 is funded with additional discretionary funding from interest earnings.

[2/] Tier 3 funding is based on auction proceeds estimates which are based on recent auction results. This scenario is presented as an example only and should not be considered as a market price forecast.

SIGNIFICANT BUDGET ADJUSTMENTS

- **Affordable Housing**—Up to $560 million annually from Cap-and-Invest auction proceeds for affordable housing administered by the Housing Development and Finance Committee as part of the Administration's modernization of the Affordable Housing and Sustainable Communities Program. See the Housing and Homelessness Chapter for more information.
- **Sustainable Communities and Agricultural Land Conservation**—Up to $240 million annually from Cap-and-Invest auction proceeds for the sustainable communities and agricultural land conservation components of the Affordable Housing and Sustainable Communities Program will continue to be administered by the Strategic Growth Council and updated to support more flexible, catalytic infrastructure investments aligned with regional priorities. These updates are intended to maximize the impact of limited ongoing resources in advancing climate-aligned housing, land-use, and transportation outcomes.
- **Cap-and-Invest Implementation (AB 1207/SB 840)**—A total of $5.7 million special funds and 17 positions to support new workload at CARB and the California Public Utilities Commission (CPUC) to update and implement statutory changes related to compliance carbon offset protocols and the California Climate Credit.

ZERO-EMISSION VEHICLES

For more than five decades, California has led the nation in clean transportation through nation-leading, achievable vehicle emissions standards. Building on this foundation, the state has invested nearly $6.3 billion ($2.3 billion General Fund) since 2021 to accelerate ZEV deployment and supporting infrastructure. As a result, nearly one in three new vehicles sold in California today is a ZEV, and the state surpassed its goal of two million ZEVs ahead of schedule. California has installed over 200,000 publicly accessible EV charging ports statewide—approximately 68 percent more than gasoline nozzles—and remains a national leader in clean transportation manufacturing and jobs.

Against the backdrop of recent federal efforts to revoke California's Clean Air Act waivers and roll back federal clean energy tax incentives—creating uncertainty for consumers and manufacturers—the Governor issued Executive Order N-27-25 in June 2025 to reaffirm and accelerate California's transition towards ZEV deployment and away from fossil fuel dependence in the transportation sector.

MAJOR ACCOMPLISHMENTS

- **Zero-Emission Cars, Trucks, and Off-Road Equipment**—CARB advanced several statewide requirements and delivered key investments to accelerate a transition to a cleaner transportation system. Since 2019, the state has invested approximately $3.7 billion ($1.6 billion General Fund) in zero-emission cars, trucks, and off-road equipment. These investments, through CARB's incentive programs, have been critical to support the ZEV market and its resiliency during times of uncertainty and have helped bring cleaner technology to communities across the state. As a result, California now has the largest ZEV market in the country. California saw a surge in light-duty ZEVs sales in the third quarter of 2025 and ZEVs made up nearly 23 percent of new medium- and heavy-duty truck sales in California in 2024.
- **Clean Transportation Program**—Since 2019, the state has invested $1.5 billion ($657 million General Fund) for the California Energy Commission (CEC) to provide grants to create over 23,000 public and shared private Level 2 charging ports and over 7,000 public and shared private direct current, fast charging ports, with over 70 percent of ports in disadvantaged and low-income communities. Additionally, this program has funded the completed or planned installation of over 140 hydrogen refueling stations supporting light- and medium/heavy-duty zero emission vehicles, supported more than a dozen workforce training projects to help

prepare workers for the clean transportation economy, and supported in-state manufacturing, emerging technologies and vehicle-grid integration initiatives.

SIGNIFICANT BUDGET ADJUSTMENT

The Budget maintains California's commitment to advancing clean transportation by providing targeted funding to incentivize ZEV adoption, along with additional actions to accelerate deployment of the infrastructure needed to sustain continued growth. Additionally, the Administration will propose statutory changes to strengthen California's ZEV market.

- **ZEV Incentives**—$200 million one-time special funds and statutory language to establish a new light-duty ZEV incentive program. This funding includes $166 million ($81 million GGRF and $85 million Air Pollution Control Fund) that was included in the 2025 Budget as a transfer to the Motor Vehicle Account (MVA) to offset CARB expenditures and support the MVA's solvency. The MVA is currently projected to be solvent in 2025-26 and 2026-27 without the transfer. Incentives are a critical part of the Administration's strategy to keep ZEVs affordable and accessible for all.

CLIMATE BOND

The 2024 Climate Bond invests $10 billion in projects that strengthen communities and support stewardship of natural resources and the environment—protecting drinking water, reducing wildfire and flood risks, supporting healthy lands, and expanding access to parks and outdoor spaces. The Budget allocates $2.1 billion in the second year of a multi-year investment plan. Implementation mechanisms will provide transparency, accountability, and equitable access, with a focus on delivering meaningful benefits to historically underinvested communities.

Climate Bond Expenditure Plan
(Dollars in Millions)

Investment Category	Bond Allocation	2025-26 Appropriated	2026-27 Proposed	Out-Years
Safe Drinking Water, Drought, Flood & Water Resilience	$3,800	$1,199	$792	$1,809
Wildfire & Forest Resilience	$1,500	$417	$314	$769
Coastal Resilience	$1,200	$279	$107	$814
Extreme Heat Mitigation	$450	$110	$241	$99
Biodiversity & Nature-Based Solutions	$1,200	$390	$199	$611
Climate Smart Agriculture	$300	$154	$89	$57
Outdoor Access	$700	$466	$35	$199
Clean Air & Energy	$850	$275	$326	$249
Total	**$10,000**	**$3,290**	**$2,104**	**$4,606**

SAFE DRINKING WATER, DROUGHT, FLOOD, AND WATER RESILIENCE

California continues to experience the adverse impacts of climate change, with hazardous flooding and record-breaking droughts. A warming and more variable climate is reducing mountain snowpack, intensifying drought, and driving shorter, more intense wet seasons that worsen flooding. Existing challenges, such as depleted groundwater basins and aging infrastructure are magnified by climate change. These investments in safe drinking water, infrastructure, drought and flood preparedness, and water resilience will support communities and help Californians adapt to historic weather whiplash.

The Budget proposes $792 million to continue investments that improve water storage, replenish groundwater, improve conditions in streams and rivers, and complete various water resilience and water-related infrastructure projects. Of this amount, the Budget includes funding for the following significant or new investments:

- **Flood Control**—$232 million for flood control projects to evaluate, repair, rehabilitate, reconstruct, expand, or replace levees, weirs, bypasses, and facilities of the State Plan of Flood Control, Projects in the Sacramento-San Joaquin Delta, and projects funded through the Flood Control Subventions Program.
- **Drinking Water**—$173 million for drinking water projects serving small or disadvantaged communities or tribes and that address failing water systems and water systems at risk of failing, as well as failing private wells. Funding will also support wastewater projects serving small or disadvantaged communities that

address a violation or connect unsewered homes to a centralized wastewater system.

- **Regional Conveyance Projects and Repairs to Existing Facilities**—$68.8 million to support repairs to existing or new water conveyance projects. In 2026-27, the California Natural Resources Agency will prioritize funds for repairs to existing infrastructure. The remaining funding will be awarded as competitive grants for new conveyance projects that deliver regional or interregional benefits, such as water supply reliability, safe drinking water, increased groundwater recharge, and improvements to water security.

WILDFIRE AND FOREST RESILIENCE

California continues to face catastrophic wildfire risks that threaten communities, landscapes, and ecosystems across the state. The state is making progress—data collected by CAL FIRE indicates more than 80 percent of fuels reduction projects analyzed had a positive effect that changed fire behavior, assisted in fire suppression efforts, or both in 2025. However, even with historic investments since 2021 and significant progress on the ground, the devastating Los Angeles fires that resulted in 31 fatalities and destroyed more than 16,000 structures in January 2025 underscore the need to accelerate efforts toward wildfire resilience, ignition reduction, community protection, and mitigation.

The Budget proposes $314 million to continue investments in various wildfire and forest resilience projects and programs. Of this amount, the Budget includes funding for the following significant or new investments:

- **Local Fire Prevention Grants**—$58 million to fund wildfire prevention and hazardous fuels reduction projects and activities in and near wildfire threatened communities, with a focus on increasing the protection of people, structures, and communities.
- **Fire Resilience**—$19.6 million for technical and financial assistance to help homeowners in wildfire-vulnerable areas to implement defensible space mitigations, including creation of an ember-resistant zone within five feet of a home or structure (known as Zone 0) to reduce the potential for structure ignition during a wildfire.
- **Wildfire Risk Reduction Related to Electricity Transmission**—$15.2 million for grants, in coordination with the Office of Energy Infrastructure Safety, to support cooperation in advancing fuel reduction around wildfire-vulnerable communities to reduce wildfire ignitions.

Coastal Resilience

Climate change is reshaping California's coast, driving sea level rise, stronger storm surges, increased flooding and coastal erosion, and habitat loss. These changes put public health and safety, vital infrastructure, homes and communities, tribal cultural resources, public access, and coastal economies and ecosystems at risk.

The Budget proposes $107 million to continue investments that help protect coastal communities against these impacts, safeguard local economies, conserve and restore biodiversity and natural areas, elevate tribal knowledge and stewardship, and improve public access to the coast.

Extreme Heat Mitigation

Extreme heat threatens California's public health and safety, economic resilience, and natural systems. Summer 2024 was California's hottest summer on record, and extreme heat events (unusually hot days or nights compared to average conditions) are becoming more common, more severe, and longer-lasting—especially in the last decade.

The Budget proposes $241 million to continue investments that support implementation of the state's Extreme Heat Action Plan and build resilience to extreme heat across California, with a focus on those most vulnerable to its impacts. Of this amount, the Budget includes funding for the following significant or new investments:

- **Transformative Climate Communities Program**—$137.4 million to fund community-led development and infrastructure projects that achieve major environmental, health, and economic benefits in California's most disadvantaged communities.
- **Community Resilience Centers**—$55.3 million to fund new construction and upgrades of neighborhood-level resilience centers to provide shelter and resources during climate and other emergencies. This program will also fund year-round services and ongoing programming that builds overall community resilience.
- **Urban Forestry Program**—$22.8 million for CAL FIRE's Urban and Community Forestry Grant Program, which aims to increase the long-term benefits trees provide, improve the public's understanding and appreciation of urban trees, and advance urban forest management and tree care. Special consideration is given to projects serving disadvantaged and/or low-income communities.

BIODIVERSITY AND NATURE-BASED SOLUTIONS

As one of the globe's 36 biodiversity hotspots, California is leading on efforts to conserve the plants, animals and ecosystems that support a healthy and resilient climate, contribute to human health and well-being, and are the foundation of the state's strong economy. California is also advancing an ambitious nature-based solutions agenda, to remove and store carbon from the atmosphere, buffer climate impacts, and build California's resilience to future climate-driven extremes. These investments will contribute to achieving California's nature-based climate solution targets and the state's 30x30 target.

The Budget proposes $199 million to continue investments that help meet the state's climate and biodiversity goals. Of this amount, the Budget includes funding for the following significant or new investments:

- **Enhancing and Protecting Nature**—$123.3 million for projects that conserve, restore, and connect California's ecosystems and the plants and animals that depend on them through land conservation acquisitions and easements, habitat enhancement and restoration, floodplain reactivation and wetland restoration, and wildlife connectivity.
- **Salton Sea**—$30 million to expand the planning and implementation of priority habitat restoration projects at the Salton Sea and create new public access opportunities across these projects for Salton Sea communities.

CLIMATE SMART AGRICULTURE

Investments from the Climate Bond build on the momentum of previous funding by supporting the state's Nature-Based Solutions targets, improving market access for producers, bolstering the agricultural industry's resilience to climate change, and strengthening infrastructure to ensure community access to local, sustainably grown foods.

The Budget proposes $89 million to continue investments in various climate smart agriculture projects and programs. Of this amount, the Budget includes funding for the following significant or new investments:

- **Tribal Food Sovereignty Program**—$14 million to fund a newly established grant program aimed at enhancing tribes' food sovereignty through projects that focus on irrigation and water infrastructure, utility and power infrastructure, and food processing infrastructure.

- **Regional Farm Equipment Sharing Program**—$14 million for the establishment of the Regional Farm Equipment Sharing Program, designed to facilitate equipment sharing among small farmers and ranchers.

OUTDOOR ACCESS

California's commitment to Outdoors for All continues with the Climate Bond. Time spent in nature is important for people's physical, mental, and social well-being. Providing a connection to the outdoors for all Californians, especially to disadvantaged communities and vulnerable populations, continues to be a priority. Protecting these outdoor spaces also enhances the state's ability to adapt to climate change, support biodiversity, and drive economic growth.

The Budget proposes $35 million to continue investments that expand and enhance parks and outdoor access.

CLEAN AIR AND ENERGY

As a result of the state's past clean energy investments, California is making progress on building a clean, reliable, affordable, and safe electric grid. The record amounts of clean energy, including battery storage, connecting to the grid allow it to better withstand extreme weather events and the stresses they pose.

The Budget proposes $326 million to continue clean energy investments that provide resources at the scale necessary to meet California's evolving energy needs, reduce air pollution, and address times when climate driven extreme weather events stress the grid. Of this amount, the Budget includes funding for the following new investment:

- **Public Financing of Clean Energy Transmission Projects**—$322.5 million to the California Infrastructure Economic Development Bank (IBank) to support the California Transmission Accelerator Revolving Fund established pursuant to Chapter 119, Statutes of 2025 (SB 254).

ENERGY

Meeting the state's climate goals requires a diverse portfolio of existing and emerging clean energy technologies and projects to be developed and deployed as quickly as possible. California has pursued a range of solutions to meet the increased electricity demand from electrification of its transportation and building sectors, while also improving grid reliability and resilience, and supporting customer bill affordability.

MAJOR ACCOMPLISHMENTS

- **California Automated Permit Processing Program**—The 2021 Budget included $20 million one-time General Fund to assist local governments to establish online, automated solar permitting to streamline the solar permitting process. This program has provided awards to 346 jurisdictions in California, and 303 awardees have already adopted an online, automated solar permitting platform. More than 89 percent of California's population now live in jurisdictions that provide instant permit approval online, and more than 67 percent of California's population live in jurisdictions where this instant permit approval was facilitated by awards from this program.
- **Long-Duration Energy Storage Program**—Since 2019, the state has provided approximately $247 million ($34 million General Fund), including $76 million in grants to tribes, to support 10 Long-Duration Energy Storage projects resulting in 381 Megawatt-hours (MWh) of utility scale energy storage, 83 Megawatts (MW) of co-located solar photovoltaic integrated with energy storage.
- **Equitable Building Decarbonization Program**—Since 2019, the state has provided $433 million ($3 million General Fund) for the Equitable Building Decarbonization Program, including $30 million for the Tribal Direct Install Program. This program has identified 49 initial community focus areas, and begun to sign up homeowners for initial retrofits, with initial retrofits to be completed in February 2026.
- **Energy Grid Contingency Programs**—Since 2019, the state has provided nearly $262 million ($187 million General Fund) for several distributed energy resource grid contingency programs that have provided access to customer-sited existing battery storage capacity for dispatch during extreme events that jeopardize grid reliability. Additionally, these programs have supported five energy storage projects and four conventional resource efficiency projects that will bring additional incremental capacity online.

Significant Budget Adjustments

- **Ongoing Petroleum Market Oversight and Analysis Workload**—$1.9 million ongoing Energy Resources Programs Account and 7 positions for CEC's Energy Assessments Division and 1 position for the Division of Petroleum Market Oversight to support the state's transition away from petroleum-based fuels while protecting California consumers from gasoline price spikes, consistent with Chapter 1, Statutes of 2024 (AB X2-1).
- **Energy Modernization and Affordability (SB 254)**—In addition to the Climate Bond appropriation to IBank noted above, the Budget includes an additional $5.7 million and 18 positions from various special funds for the Office of Energy Infrastructure Safety, CPUC, Public Advocate's Office, and CEC to support new workload related to utility wildfire mitigation plan review, oversight of transmission development and financing mechanisms, and various environmental regulation and reporting activities.
- **Supporting Affordability through Expanded Power Markets (AB 825)**—$1.9 million ongoing Public Utilities Commission Utilities Reimbursement Account (PUCURA) and 8 positions to support oversight of voluntary participation in expanded regional power markets to ensure compliance with statutory requirements and ensure these markets lower energy costs for California customers, support grid reliability and resiliency during extreme events, and optimize the use of renewable and zero-carbon energy resources.
- **California Ratepayer Protection Act (AB 1167)**—$952,000 ongoing PUCURA and 4 positions to strengthen CPUC enforcement and oversight of political and promotional advertising to protect ratepayers from unreasonable utility costs and ensure accountability in utility practices.

Data Centers

Data center development and expansion is growing and anticipated to grow even more in the coming years with increased computing demand, especially with recent advancements in artificial intelligence. California is well positioned to develop resource efficient and clean energy-powered data centers throughout the state that house highly advanced, next-generation computing technologies and enhance the competitive advantage of the state's computer technology sector and the state's overall economy for the benefit of Californians. Supplying adequate clean power to these facilities, while fairly and equitably allocating the costs of providing electric service, is top of mind and a core focus of the CPUC.

The Budget proposes $668,000 ongoing PUCURA and 3 positions for implementation of Chapter 647, Statutes of 2025 (SB 57). The CPUC will assess and report on the ratepayer impacts of large new electricity loads, including data centers. The Budget also proposes ongoing staffing capacity to support continued electric rate design and cost allocation rules, data analysis, and other efforts to avoid potential cost impacts to existing customers.

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NATURAL RESOURCES

The Natural Resources Agency consists of 29 departments, boards, commissions, and conservancies responsible for administering programs that conserve, restore, and enhance California's natural, historical, and cultural resources. The Governor's Budget includes total funding of $14.5 billion ($4.9 billion General Fund, $7.6 billion special funds, $389.4 million federal funds, and $1.6 billion bond funds) for the programs included in this Agency.

DEPARTMENT OF FORESTRY AND FIRE PROTECTION

The Department of Forestry and Fire Protection (CAL FIRE) provides natural resource management and wildland fire protection services to 31 million acres of State Responsibility Area (SRA)—and supports federal and local efforts in non-SRA areas. It operates 237 fire stations, 13 air attack bases, 1 air tanker base, 11 helitack bases, 25 conservation camps, 31 fire centers, 14 state forests, 1 nursery, and 1 statewide seed bank. Of the 56 counties with SRA, CAL FIRE contracts with 6 counties to provide wildland fire protection services. The Budget includes $5.3 billion ($2.2 billion General Fund) and 14,044 positions for CAL FIRE.

The ongoing impact of climate change on California's wildlands, the consequences of a century-old legacy of actively impeding cultural and beneficial fire, and decades of underinvestment in forest health continue to create the conditions for a year-round fire season and longer, more severe peak fire seasons, resulting in catastrophic wildfire risks that threaten communities, landscapes, and ecosystems across the state. The Budget recognizes these conditions and their impact on both firefighting operations and the state's wildfire and landscape resilience. The Budget maintains historical funding and makes further investments to enhance CAL FIRE's fire protection capacity and strengthen the state's wildfire and forest resilience. See the Climate Change Chapter for additional details on significant wildfire and forest resilience investments.

Major Accomplishments

Since 2019, the state has dedicated significant resources to enhance CAL FIRE's firefighting capabilities.

- **Additional Engines with Year-Round Staffing**—$32.6 million General Fund and 131 positions ongoing to add 13 additional year-round engines. This investment expanded the fleet to a total of 356 engines and increased to 65 the number of engines resourced for baseline year-round staffing. This enhancement helps meet the increased demand for wildland fire response, more equitably meet the intent of the state's Master Mutual Aid System, address the need for additional resources earlier and later in the calendar year, and better position the state to respond to larger and more frequent fires. The funding also includes proportional ongoing contract county funding.
- **66-Hour Workweek**—$770.4 million ($756.3 million General Fund) and 2,457 positions ongoing, phased in over five years beginning in 2024-25, to reflect the 2022 Memorandum of Understanding (MOU) between CAL FIRE Local 2881 (Bargaining Unit 8) and the State of California that committed to the reduction of the 72-hour workweek to a 66-hour workweek beginning on November 1, 2024. In 2025, CAL FIRE graduated a record 658 new Fire Apparatus Engineers through the Company Officer Academy. These personnel now begin a three-year apprenticeship that prepares them for promotion to Fire Captain, aligning with projected leadership needs in 2028-29 and 2029-30. More than 600 additional Company Officers are projected to graduate in 2026, contributing to the more than 1,350 new Fire Apparatus Engineers funded over the five-year plan. As staffing levels rise, units across the state are moving to a three-platoon schedule, improving coverage and reducing reliance on extended duty. With full implementation of the 66-hour workweek, CAL FIRE will operate at peak staffing for nine months per year (previously four to five months) and at base staffing for three months per year. Additionally, the number of fire engines staffed during the base period increases from 65 to 153.

- **Relief Staffing**—$175.3 million General Fund and 576 positions ongoing to strengthen and enhance statewide fire protection capacity by adding key leadership, operational, and administrative staff. This investment includes expanded training capacity through new positions at the CAL FIRE Training Centers to meet the initial and ongoing training demands associated with the growing number of uniformed positions. One-time investments included the purchase of fire engines, engine covers, training props, furnishings, and specialized equipment needed to support increased student throughput. This funding also includes proportional ongoing contract county funding, providing consistent fire protection coverage across state-funded county operations.
- **Hand Crews (CAL FIRE, CCC, and CMD)**—$484.4 million General Fund and 2,022 positions ongoing within CAL FIRE, the California Conservation Corps (CCC), and the California Military Department (CMD) to augment the number and increase the availability of non-incarcerated hand crews in response to decreases in the number of incarcerated individuals available to staff hand crews. Since 2019, California has added 60 new state hand crews, 12 contract county fire crews, and converted 16 existing state hand crews from seasonal to year-round. These significant investments have resulted in a total of 180 state hand crews (95 incarcerated, 38 CAL FIRE, 33 CCC, and 14 CMD) and 12 fire crews in the six contract counties, as of January 2026.
- **Aviation Resources**—$123.9 million one-time General Fund and $61.4 million General Fund and 51 positions ongoing for enhanced aviation resources. This funding supports seven C-130 large airtankers, expanding CAL FIRE's capabilities and extending the life of the existing S2-T airtankers, as well as the purchase of four additional S-70i FIREHAWK helicopters, providing aircraft availability to help maintain continuous flight operations during critical fire weather conditions when frontline helicopters are due for maintenance.
- **Surge Equipment**—$35.8 million one-time and $5.8 million ongoing General Fund to purchase 42 fire engines and 10 bulldozers that increase surge capacity for wildland fire emergency response. Since 2023, this additional equipment has been staffed during periods of elevated fire weather or to provide coverage for extended assignments of other engines.

Significant Budget Adjustments

- **Fixed-Wing Pilot and Mechanics Contract Increase**—$66.5 million ongoing General Fund to support contract cost increases for fixed wing pilots and mechanics. CAL FIRE operates the largest civil aerial wildfire suppression fleet in the world, and uninterrupted maintenance is critical to keeping aircraft mission-ready. These resources ensure continued access to skilled aviation personnel, allow the Aviation Management Unit to maintain the fleet to required standards, and support safe, reliable aircraft operations throughout the fire year.
- **Permanent Resources for Enhanced Defensible Space Inspections**—$6.2 million General Fund and 31 positions ongoing for CAL FIRE to continue to meet the state's goal of 250,000 annual parcel inspections within the SRA. The additional resources will continue a portion of the previous one-time Wildfire and Forest Resilience funding as well as provide additional year-round inspectors and associated support.

California Conservation Corps

The California Conservation Corps (CCC) has long served as a cornerstone of workforce development in California, offering young people and veterans meaningful opportunities to serve their state while gaining valuable life, work, and educational experiences. Through hands-on service in environmental conservation, fire prevention and protection, disaster response, habitat restoration, and clean energy projects, Corpsmembers develop the skills needed to become empowered workers and engaged citizens. The Budget includes $213.3 million ($125.6 million General Fund) and 574 positions for CCC.

In addition to the CCC, California supports 14 certified local conservation corps and 5 tribal corps programs located in communities across the state. These corps provide similar workforce development and training opportunities, engaging young people in conservation, recycling, education, and community service activities that improve local environments and promote civic engagement.

Through these programs, the state is making a strategic investment in its future workforce—empowering young Californians with the skills, experience, and values needed to contribute meaningfully to their communities and the broader economy.

MAJOR ACCOMPLISHMENTS

Since 2019, California has invested significant resources to support the CCC, and this support has been invaluable to the implementation of the state's climate goals and emergency response activities.

- **Corpsmember Services**—$2 million ($1.1 million General Fund) and 14 positions ongoing since 2021-22 to help Corpsmembers transition to higher education, military, vocational education, apprenticeships, or other careers after leaving the CCC program. In 2024-25, Corpsmembers received about 424,000 training hours, with at least 1,500 Corpsmembers receiving at least one certification and/or credential, about 350 Corpsmembers participated in the CCC High School Program, about 900 Corpsmembers enrolled in an education program following their service with the CCC and 600 Corpsmembers were employed following their service with the CCC, including 184 with CAL FIRE's firefighting program.
- **Forestry Corps**—$9.4 million ongoing ($4.4 million General Fund) for crews that develop and implement forest health projects, including one local conservation corps crew that is supported by an annual grant to the Greater Valley Conservation Corps. This program assists Corpsmembers in obtaining forestry and forest technician degrees and certificates through project work that includes fuel reduction, seedling collection, tree mortality and tree felling, and tree nursery and arborist training. From 2021-22 through 2023-24, CCC also received $15 million General Fund annually to temporarily expand its Forestry Corps Program.

SIGNIFICANT BUDGET ADJUSTMENTS

- **Wildfire Readiness Seven-Day-Per-Week Schedule - CCC Hand Crews**—$11.7 million General Fund, 49 positions, and 47 full-time equivalent Corpsmember and Special Corpsmember positions ongoing to implement a seven-day operational schedule year-round, enhancing wildfire readiness, rapid response, and workforce development. The proposal supports CAL FIRE's goals by increasing crew capacity, improving safety and resilience, and aligning with statewide climate and conservation initiatives.
- **Staffing and Operations for the Greenwood Residential Center**—$12.3 million ($6.8 million General Fund), 24 positions, 100 Corpsmembers, and 6 Special Corpsmembers ongoing to fully staff and operate the new Greenwood Residential Center in El Dorado County, scheduled for occupancy in July 2026. This proposal

expands CCC's emergency response capacity, conservation work, and youth development programs in a strategically vital region.

DEPARTMENT OF WATER RESOURCES

California continues to experience weather extremes as droughts, floods, and temperatures become more severe. Building systems resilient to these weather extremes is a core pillar of the state's climate investments.

In August 2022, the Administration launched California's Water Supply Strategy, "Adapting to a Hotter, Drier Future," to increase water supply and adapt to more extreme weather patterns caused by climate change. This strategy builds on the broader Water Resilience Portfolio released in 2020 as a blueprint to equip California with the tools to address more extreme droughts and floods, a lack of safe drinking water in many communities, rising temperatures, declining fish populations, and an over-reliance on groundwater.

The Department of Water Resources (DWR) continues to play a key role in the implementation of both the Water Resilience Portfolio and the Water Supply Strategy, setting a course for managing water supplies in the face of an ever-changing climate. Historic levels of one-time state support have provided the opportunity to make generational investments across program areas tasked with bolstering the state's resilience to these weather extremes. While rising temperatures continue to introduce new challenges for managing water in California, DWR has implemented a broad, diversified approach to address long-standing challenges while preparing for the future.

MAJOR ACCOMPLISHMENTS

- **Urban Flood Risk Reduction Program**—California has some of the highest flood risk in the nation. Accordingly, urban flood risk reduction is identified as a priority in the 2022 Central Valley Flood Protection Plan. Since 2019, $608.8 million ($569.9 million General Fund) one-time has been appropriated to leverage $2.9 billion in federal funding for urban flood risk reduction projects. These projects were accomplished through partnerships with local, state, and federal agencies that are currently implementing $11.9 billion of flood infrastructure improvements in the Central Valley.
- **Sustainable Groundwater Management Act (SGMA) Implementation**—$422.7 million General Fund in state operations and grants to Groundwater Sustainability Agencies (GSAs) to advance the development and implementation of

Groundwater Sustainability Plans. These investments improve groundwater management, recharge, and storage critical to addressing the state's water supply challenges while strengthening long-term climate resilience for vulnerable communities, agriculture, and the environment. This targeted funding accelerated sustainable groundwater implementation in high and medium priority basins, to help GSAs stay on track to meet SGMA's sustainability goals by 2040.

- **Salton Sea**—The Administration has overseen a critical shift from planning to implementation at the Salton Sea to confront public health and environmental risks, translating years of research and analysis into massive dust suppression projects and habitat restoration that span miles across previously exposed lakebed. With approximately $750 million ($94.2 million General Fund) one-time in state and partner funding currently advancing over 16,000 acres of projects that are either complete or in progress, the state continues to accelerate the pace and scale of its work to bring plants, water, and wildlife back to the Salton Sea.

SIGNIFICANT BUDGET ADJUSTMENTS

- **River Forecast and Snow Survey Resources**—$9.5 million ongoing General Fund to support DWR's efforts to provide 24-hour river forecasts and collect snow course measurements that are critical for water supply forecasting, offsetting the vulnerabilities created by recent federal reductions in these areas.
- **Delta Levees Program Mitigation**—$14 million one-time General Fund for DWR's Delta Levees Program. This funding will support the mitigation required for implementing levee safety projects in the Delta. This compensatory mitigation is required by state and federal law when levee improvement projects adversely impact habitat.
- **San Joaquin River Settlement State Obligations - Eastside Bypass Control Structure Fish Passage Rock Ramp**—$25 million ($9.5 million Proposition 1 and $15.5 million Proposition 4) one-time for DWR to implement the Eastside Bypass Control Structure Fish Passage Rock Ramp project. This project includes modification of a control structure and construction of a rock ramp to improve fish passage for adult salmon and other native fish within the San Joaquin River system to further the work towards the state-obligated San Joaquin River Restoration Program.

DEPARTMENT OF PARKS AND RECREATION

The Department of Parks and Recreation (California State Parks) consists of 280 parks, beaches, trails, wildlife areas, open spaces, off-highway vehicle areas, and historic sites totaling approximately 1.6 million acres of land, including over 340 miles of coastline; 970 miles of lake, reservoir and river footage; more than 15,000 campsites and alternative camping facilities; and more than 5,200 miles of motorized and non-motorized trails. The Budget includes $1 billion ($225.9 million General Fund) and 4,743 positions for California State Parks.

MAJOR ACCOMPLISHMENTS

Since 2019, the Administration has made significant investments to expand access to the outdoors and address the impacts of climate change. The Administration's commitment to advancing California's Outdoors for All Initiative has resulted in programs that enable safe, equitable, and enjoyable access to parks, open spaces, and recreational opportunities. These programs remove historical, financial and logistical barriers that prevent children and families from accessing state parks and amplify the Administration's promise of a California for All. Highlights include:

- **Statewide Park Development and Community Revitalization Program**—This program creates new parks and recreation opportunities in underserved communities across California. Since 2019, approximately $852.3 million in grants have been awarded to 183 projects. Funding has come from bond funds (Proposition 40, Proposition 84, and Proposition 68), and the General Fund. As a result, hundreds of new and improved parks now provide walkable, safe recreation opportunities for thousands of Californians in previously park-poor areas. The 2025 Budget Act included an additional $188.5 million from the Climate Bond for this program.
- **Dos Rios State Park**—In 2023, the Department opened Dos Rios State Park, California's first new state park in ten years, restoring a former agricultural site at the confluence of the Tuolumne and San Joaquin Rivers to provide floodplain habitat, climate resilience, and new public recreation.
- **Outdoor Access Programs**—Beginning in 2021–22, these programs have significantly reduced cost barriers and expanded equitable park access statewide, including:
  - The California State Library Parks Pass, which offers free vehicle day-use entry to state parks through partnerships with public libraries statewide. The Department has partnered with the California State Library to provide 33,000 State Library

Parks Passes to more than 1,100 library branch locations, including tribal libraries, throughout the state.

- The Adventure Pass, which offers free day-use entry to over 50 state parks for fourth-grade public school students and their families. This program was made ongoing beginning in 2024-25 through a $2.1 million annual investment of Proposition 98 General Fund to continue the Adventure Pass program for fourth graders attending public schools.
- The Golden Bear Pass, which provides year-round, free access at over 200 state parks for families who receive CalWORKs, individuals who receive supplemental security income, income-eligible Californians over age 62, and participants of California's Tribal Temporary Assistance for Needy Families program. Through an innovative partnership with the Department of Social Services, pass usage has increased by over 4,000 percent since 2021.

- **Arts in California Parks**—Through a partnership with the California Arts Council and Parks California, $13.9 million one-time General Fund was invested in 61 grantees and over 200 events to uplift artists, culture bearers, California Native American tribes, and communities in creating artwork at local and state parks that offer unique perspectives on California's past and present. Approximately 40 percent of projects are led by California Native American tribes or tribal-serving organizations.
- **Tribal Lands Acknowledgement**—With an investment of $9.8 million one-time General Fund in 2022-23, 69 tribes partnered with the Department to create land acknowledgement content for 191 state parks to be added into new entry signage, orally at events, and on parks' websites and educational materials. Funding was also provided for 35 projects to co-create exhibits and interpretive content with California Native American tribes.
- **California Indian Heritage Center (CIHC)**—With the tribally-led CIHC Task Force, State Parks has engaged in outreach to tribal communities for the design of the California Indian Heritage Center. The CIHC Outreach Initiative report has been finalized and the design team and the CIHC Task Force, with input from tribal leaders and community, are developing the Overall Site Master Plan for CIHC, including immediate public use areas, buildings, native gardens, and outdoor spaces.
- **Deferred Maintenance**—These investments strengthen safety, sustainability, and long-term access across the State Park System. Since 2019, approximately $271.1 million one-time has been appropriated for deferred maintenance projects

from various funding sources, including General Fund, Proposition 40, Proposition 68, and the Climate Bond. These investments have addressed high-priority projects to enable improved access and enhanced visitor experience across the state.

SIGNIFICANT BUDGET ADJUSTMENTS

- **California State Parks Library Pass Program**—$6.8 million ongoing General Fund to support the California State Parks Library Pass program. Library card holders can borrow a pass from their local library to access select state parks, beaches and monuments for free, helping to remove cost barriers to visit these treasured spaces.
- **California Indian Heritage Center**—$2.1 million one-time General Fund for the construction of an immediate public use area to further the Administration's commitment to make significant progress in the construction of the tribally-led CIHC. The Budget also includes $842,000 General Fund and 3 permanent positions ongoing to provide immediate support to ensure tribal and non-tribal community members have access to portions of the property and develop community programming to advance the tribally-led goals of the CIHC.

DEPARTMENT OF FISH AND WILDLIFE

The California Department of Fish and Wildlife (CDFW) is the agency that safeguards the state's unparalleled nature including rare and endangered species, native plants and their habitats. CDFW is dedicated to stewarding California's rich natural biodiversity for all Californians, and does so through science-based work, collaborative partnerships, enforcement of environmental laws, and forward-looking conservation efforts. CDFW works to ensure California's natural systems remain sustainable for current and future generations. CDFW plays a key role balancing natural resource conservation with public access, the changing climate, and navigating the intersection of human activity and ecological preservation.

MAJOR ACCOMPLISHMENTS

- **Salmon Strategy for a Hotter, Drier Future**—Salmon are a keystone species in California. They are vital to the health of river ecosystems, Native American communities and the economic sustainability of commercial and recreational fishing communities across the state. Salmon are particularly vulnerable to the impacts of drought and its effect on water temperatures and availability. In

January 2024, the Administration launched the "California Salmon Strategy for a Hotter, Drier Future," which charts important priorities and actions needed to support California's struggling salmon populations.

Since 2021, the state has invested over $171 million General Fund in projects that enhance river ecosystems resiliency to drought and climate change. These projects directly benefit salmon populations through restoration and protection of riparian and aquatic habitat and river channels, reconnection of historical flood plains, or improvements to ecological functions.

One of these restoration projects, the largest river restoration project in American history, the Klamath Dam Removal Project was completed in 2024. A primary goal of the Klamath River dam removal was the reestablishment of viable, wild, self-sustaining populations of salmon and other anadromous fish species for conservation, for their ecological benefits, and to enhance tribal, commercial, and recreational fisheries.

A little more than a year after the dam removal, CDFW scientists are observing salmon reoccupy just about every corner of their historic habitat. CDFW has invested more than $30 million General Fund to support fish habitat restoration projects within the Klamath Basin.

SIGNIFICANT BUDGET ADJUSTMENTS

- **San Joaquin River Basin Spring and Fall-run Chinook Salmon Restoration**—$5 million ongoing General Fund and 3 permanent positions to provide necessary resources for the operation of the newly-constructed San Joaquin Research and Conservation Hatchery Facility, to continue the San Joaquin River Restoration Program, and the Merced River Hatchery.
- **Nutria Eradication Program**—$8.2 million ongoing General Fund and 1 permanent position to support the continued and expanded operations of the Nutria Eradication Program, which addresses the spread of the invasive nutria species to protect critical flood infrastructure and sensitive habitat.

EXPOSITION PARK

Exposition Park is a 160-acre campus located in the heart of Los Angeles that includes three state entities: the Office of Exposition Park Management, the California African American Museum, and the California Science Center. The Park currently attracts up to eight million visitors per year to the state entities listed above and the Natural History Museum of Los Angeles County, the City of Los Angeles Rose Garden, the Los Angeles Memorial Coliseum, and the BMO Stadium. The Budget includes $154.8 million ($116.9 million General Fund) and 203 positions for Exposition Park.

MAJOR ACCOMPLISHMENTS

Exposition Park has become one of California's most visited destinations and valuable open, green spaces in the Los Angeles area. Since 2019, three new museums have been developed within the Exposition Park campus, including the construction of the Natural History Museum's Commons, the California Science Center's Samuel Oschin Air and Space Center, and the Lucas Museum of Narrative Art. Important community amenities have also been added, including renovation of the Jesse A. Brewer Jr. Park.

- **California Science Center**—Over $12 million ($9 million General Fund) has been invested in the California Science Center to support its mission of stimulating curiosity and inspiring science learning. This includes $2 million one-time General Fund for deferred maintenance, including life safety and infrastructure upgrades, and $10 million ($7 million General Fund) ongoing for operations and maintenance of the new Samuel Oschin Air and Space Center that will house the Space Shuttle Endeavour in launch position—the only authentic full Space Shuttle stack in the world. Collectively, these investments have helped to reinforce the Science Center's position as one of California's premier family educational destinations featuring award-winning exhibits and education programs.
- **California African American Museum (CAAM)**—Since 2019, $19.4 million ($18.3 million General Fund) has been invested in CAAM to renovate and upgrade museum gallery space and support major renovations, infrastructure repairs, and severe storm-related emergency recovery efforts. These investments brought the facility into compliance with current building and fire and life safety standards, enabling CAAM to continue its mission to research, collect, preserve, and interpret the history, art, and culture of African Americans, with an emphasis on California and the western United States.

SIGNIFICANT BUDGET ADJUSTMENTS

- **Utility Replacement and Site Improvements**—$96.5 million one-time ($76 million General Fund and $20.5 million Exposition Park Improvement Fund) to complete critical deferred maintenance projects necessary to meet code compliance and accessibility requirements prior to increased patronage from notable Park developments and events, such as the Los Angeles 2028 Olympic and Paralympic Games.
- **California Science Center: Phase III Air and Space Center Facility Operations and Opening**—$9.3 million ongoing General Fund and 31 positions to support the fall 2026 public opening of the Air and Space Center and ongoing operations of the Phase III facility.

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ENVIRONMENTAL PROTECTION

The California Environmental Protection Agency (CalEPA) remains committed to advancing the state's environmental protection mission through science-based decision-making, strong partnerships, and a continued focus on equity, climate resilience, and public health. The Governor's Budget reflects these priorities by supporting programs that reduce pollution, accelerate the transition to a clean and sustainable economy, and allow all Californians—especially those in vulnerable and overburdened communities—to benefit from a healthier environment.

The Budget highlights key Administration initiatives, including investments that strengthen environmental enforcement, advance climate adaptation, and improve the efficiency and transparency of the state's permitting and regulatory processes. CalEPA's boards, departments, and offices continue to work collaboratively to implement statewide environmental and climate goals while maintaining operational readiness and delivering essential public services.

AIR RESOURCES BOARD

California is making significant strides in achieving federal air quality targets and reducing greenhouse gas emissions required by state climate targets. These efforts cross transportation, industrial, natural working lands, and other economic sectors.

Major Accomplishments

Since 2019, the California Air Resources Board (CARB) has advanced key initiatives aimed at enhancing clean air, climate action, and public health benefits for California.

- **Methane Satellite Program**—Supported by a one-time $105 million Greenhouse Gas Reduction Fund (GGRF) investment, CARB launched and operationalized satellite-based methane monitoring to detect large methane plumes, resolve major leaks, and drive emissions reductions. This initiative was among the world's first successful large-scale demonstrations of methane plume detection technologies and is now one of the first programs globally to operationalize satellite-based methane plume imaging. Since May 2025, the program has been receiving actionable satellite data, publicly posting methane plume detections, issuing operator notifications, and progressing toward future results. In the oil and gas sector, the program is projected to yield 431,235 metric tons of carbon dioxide equivalent in avoided emissions (equal to emissions from 93,700 passenger vehicles for one year) in 2026, and more in subsequent years as additional satellites are launched.
- **Community Air Protection Program (CAPP)**—CAPP, co-implemented by CARB and local air districts, improves air quality and protects public health in the most impacted areas of California. From 2019-20 through 2025-26, the state has invested approximately $1.7 billion ($90 million General Fund) for CAPP. Beginning in 2026-27, there is now ongoing funding for CAPP from the GGRF, which will allow CARB and local air districts to focus on air quality improvement for almost half of California's disadvantaged population. Community air protection is improving air quality and is one of the most cost-effective programs, ranking third in Nitrogen Oxides and fifth in fine particulate matter reductions per million spent, based on an assessment of 86 California Climate Investment Programs. To date, CAPP has supported over 6,200 projects, achieving lifetime reductions in emissions of 10,200 tons of Nitrogen Oxides, 590 tons of Reactive Organic Gases, 390 tons of Particulate Matter, and 129,800 metric tons of greenhouse gases.
- **Statewide Mobile Monitoring Initiative**—As a commitment in CARB's CAPP Statewide Strategy, CARB launched a first-ever program to measure street-level emissions in 62 disadvantaged communities around the state using mobile monitoring platforms. The 2022 Budget included $30 million one-time GGRF for mobile monitoring to fund a comprehensive, publicly-accessible dataset of criteria pollutants, toxic air contaminants and greenhouse gases—data that will help communities better understand their air quality and address community concerns. This new data will fill

air monitoring gaps and support additional actions to reduce emissions and exposure. Mobile monitoring launched in June 2025, and data will be made available to the public in June 2026.

- **Defense of Clean Air and Public Health**—CARB is challenging federal regulatory rollbacks by submitting multiple comment letters, including from multistate coalitions, providing testimony challenging the U.S. Environmental Protection Agency's proposed actions, and coordinating closely with California's Attorney General's Office. These efforts positioned the state for future litigation and reinforced its national climate leadership.

SIGNIFICANT BUDGET ADJUSTMENTS

- **Hino Motors Settlement**—$95.6 million one-time Air Pollution Control Fund (APCF) over three years to implement the Hino Settlement, including certification, testing, enforcement, and other efforts to address air pollution, consistent with the terms of the settlement. The Hino Motors Settlement is a $1.6 billion settlement that the state and federal government reached with Hino Motors, a subsidiary of Toyota, for violations of the Clean Air Act related to the submission of false and fraudulent engine emission testing data. Of the $1.6 billion, the state directly received $236.5 million, of which $132.2 million was appropriated in the 2025 Budget.
- **Advanced Clean Fleets**—$1.7 million ongoing APCF and 10 positions to implement the state and local government elements of the Advanced Clean Fleets regulation.
- **Community Air Protection and Monitoring (SB 352)**—$1.6 million ongoing GGRF for 5.2 positions to update the statewide air monitoring plan every five years. These updates will support the use of rapidly evolving monitoring techniques, from low-cost sensors to advanced volatile organic compounds and metals analyzers, mobile platforms, and satellite systems, and will maintain California's leadership in air monitoring innovation.

STATE WATER RESOURCES CONTROL BOARD

The State Water Resources Control Board, along with the nine Regional Water Quality Control Boards, promote proper allocation and use of California's water resources, and preserve, enhance, and restore the quality of California's water resources for the protection of the environment and public health.

Since 2019, the State Water Board has made significant strides in investing in infrastructure to diversify, increase and protect California's water supply, expand safe and affordable drinking water for communities across California, modernize the administration of water rights, and safeguard water quality.

MAJOR ACCOMPLISHMENTS

- **Water Infrastructure**—The state has invested over $11 billion ($1.4 billion General Fund) in loans and grants for drinking water, wastewater, water recycling, stormwater and ground water projects.
- **Clean Water Projects**—The State Water Board has provided more than $5.7 billion ($754 million General Fund) toward clean water projects, including over $1.9 billion of financing for 80 water recycling projects since 2019. These water recycling investments will deliver approximately 282,000 acre-feet per year of recycled water by 2030, generally equal to the annual water usage of over 560,000 households, helping California become more drought resilient.
- **Safe and Affordable Funding for Equity and Resilience (SAFER) Program**—Since the SAFER Program's inception, the State Water Board has distributed over $1.6 billion ($593 million General Fund) in grants for projects in disadvantaged communities, and 321 water systems serving over 3.3 million people have returned to compliance with drinking water standards. Additional SAFER accomplishments include:
  - Planning/design funding benefiting 97 water systems and approximately 2 million people.
  - Technical assistance benefiting 644 water systems and approximately 1 million people.
  - Interim assistance benefiting 348 communities, approximately 186,000 people.
  - 170 consolidations completed, serving over 660,000 people.
- **Updating Water Rights Data for California (UPWARD)**—The State Water Board's UPWARD project represents a significant achievement by directly addressing critical needs in water management. With this $61.3 million investment, the State Water Board will continue to modernize the state's water rights data collection and management systems, a vital step for ensuring efficient and effective decision-making, especially during periods of hydrological stress like droughts.

- **Per and Polyfluoroalkyl Substances (PFAS)**—The State Water Board has committed approximately $307 million ($21 million General Fund) to projects that address PFAS contamination, benefiting over 5.9 million people.

SIGNIFICANT BUDGET ADJUSTMENT

- **U.S. Supreme Court's *Sackett* Decision**—$2.6 million ongoing special funds and 12 positions to expand essential water quality permitting and enforcement work. In light of the U.S. Supreme Court's decision in *Sackett v. Environmental Protection Agency* (which narrowed federal Clean Water Act jurisdiction), the State Water Board has continued its commitment to the protection of water quality in surface waters and wetlands across the state.

DEPARTMENT OF TOXIC SUBSTANCES CONTROL

The Department of Toxic Substances Control (DTSC) protects California's people, communities, and environment from toxic substances, enhances economic vitality by restoring contaminated land, and compels manufacturers to make safer consumer products. In this effort, DTSC regulates more than 100,000 entities to prevent the release of hazardous waste, cleans up contamination, and enforces the safe handling of hazardous waste across the state.

MAJOR ACCOMPLISHMENTS

Since 2019, DTSC has overseen the cleanup of thousands of properties to support the revitalization of land for housing and other productive uses, held regulated entities accountable through enforcement of hazardous waste laws, reduced the backlog of continued permits, and taken numerous regulatory actions that will result in the long-term removal of dangerous chemicals from products used every day in California.

The 2021 Budget included significant reforms to DTSC's governance and fees, which has allowed for fiscal stability, improvements in existing programs, and the implementation of new programs. Reform has allowed for the transformation of DTSC to more fully meet its mission of protecting the people and environment of California from exposures to hazardous materials.

- **Cleanup in Vulnerable Communities Initiative**—This initiative provides funding to incentivize cleanup and beneficial reuse of land in vulnerable communities in

California, investigate former dry-cleaner sites for contamination, help communities in the engagement process in cleanup activities, and more. One program—the Equitable Community Revitalization Grant—provided $131 million ($86 million General Fund) to support investigation, assessment, and remediation in disadvantaged communities.

- **Cleanup of Residential Properties Surrounding Exide Facility**—DTSC has overseen the cleanup of residential and other sensitive properties that were contaminated by the Exide battery recycling facility in Vernon. These efforts will reduce residents' exposure to lead and other dangerous metals. To date, DTSC has cleaned up 6,004 properties, exceeding the target of 5,940 set in 2021.
- **Permitting Reform**—DTSC has incorporated a number of accountability measures into the permitting process to reduce the number of hazardous waste facilities operating on continued permits (i.e., permits that continue beyond their expiration date). The total number of continued permits has decreased from 31 in 2020-21 to 10 in 2024-25.
- **Safer Consumer Products**—This program addresses pollution at the source by promoting product innovation and preventing regrettable substitutions through research, rulemaking, and upstream prevention. In response, manufacturers are reformulating their products with safer alternatives, including a shift away from ortho-phthalates in vinyl flooring, PFAS in carpets and rugs, and PFAS in textile and leather treatments. SCP's actions prevent up to a quarter million pounds of PFAS from reaching California homes and workplaces, and up to 2 million pounds of nonylphenol ethoxylates from being discharged into California's waters and impacting aquatic ecosystems each year.

SIGNIFICANT BUDGET ADJUSTMENTS

- **Exide Residential Cleanup**—$70 million ($50 million General Fund) in 2026-27 and 2027-28 to continue the clean-up of residential properties contaminated by the former Exide battery recycling facility in Vernon. This funding will support the remediation of an additional 1,000 properties.
- **National Priorities and Orphan Sites**—$40.2 million one-time special funds to clean up contaminated brownfields and Superfund sites to protect public health and encourage revitalization. Over half of these sites are located in disadvantaged communities.

DEPARTMENT OF PESTICIDE REGULATION

The Department of Pesticide Regulation (DPR) protects people and the environment through regulation of pesticides and by fostering sustainable pest management.

MAJOR ACCOMPLISHMENTS

Since 2019, DPR significantly advanced protections for human health and the environment, including by fostering sustainable pest management, fast-tracking access to safer pesticide alternatives, restricting the use of specific high-risk pesticides, and increasing community engagement across the state.

The 2024 Budget included legislation to update the mill assessment, the primary source of funding for pesticide regulation in California, to provide stable, long-term funding to support the DPR's core functions and to better integrate and align sustainable pest management practices through research, innovation, and adoption.

- **Safer Alternatives**—DPR accelerated the availability and adoption of a broad range of alternative approaches by funding 63 projects totaling over $19 million special funds since 2019. These include projects that address pest management impacts from extreme heat and demonstrate sustainable pest management in practice. DPR also launched CalPEST, a streamlined, electronic system that modernizes the pesticide registration process to move safer alternatives and other pest management tools more swiftly through the Department's rigorous evaluation process.
- **Mitigating Risks**—DPR took action to mitigate high-risk pesticides, including ending virtually all uses of chlorpyrifos as of December 31, 2020; adopting crop-specific mitigations for neonicotinoid insecticides, which are expected to reduce use by 40 percent; and imposing restrictions on the use of fumigant 1,3-dichloropropene, which reduced emissions by 29 percent in the first year.
- **Expanding Transparency**—In 2025, DPR launched SprayDays, a first of its kind notification system for restricted material pesticides. SprayDays provides the public with timely information about nearby pesticide applications before they occur, connecting thousands of Californians with real-time pesticide information.

Significant Budget Adjustments

- **SprayDays**—$809,000 ongoing special fund for the continued operations, maintenance, and outreach for SprayDays.
- **Evaluation and Mitigation of Fumigant Exposure**—$394,000 ongoing special fund and 2 positions to expand evaluation, mitigation, and regulations related to fumigant exposure.

Landfill Support, Response and Enforcement

Addressing Subsurface Elevated Temperature (SET) events and other emerging issues at California's landfills is crucial for safeguarding public health and the environment. These complex challenges, amplified by evolving waste streams and climate-related risks, demand a proactive and coordinated approach. By investing in enhanced detection, rapid response, robust enforcement, and updated regulatory frameworks, California can significantly mitigate the risks of fires, toxic emissions, and water contamination associated with these events. Furthermore, strengthening interagency collaboration and community engagement informs and protects affected populations. This strategic focus not only enhances landfill safety and sustainability but also builds greater resilience across communities facing the impacts of modern waste management challenges.

Significant Budget Adjustments

The Budget includes a coordinated effort to address SET events at Class III Landfills and control the public health threat posed by these events. Specifically, this proposal includes the following departmental resources for support, response, and enforcement of these SET events:

- **CalEPA**—$606,000 ongoing special funds and 2 positions to address the diffuse and complex regulatory environment surrounding landfills and the critical need for inter-agency coordination, to effectively coordinate responses to landfills and SET events.
- **DTSC**—$2.1 million ongoing special funds and 4 positions to address SET events at Class III Landfills, including the Chiquita Canyon Landfill and other Class III permitted landfills to control the emerging threat to public health.

- **CalRecycle**—$1.95 million ongoing special funds and 4 positions to address the workload concerning oversight and cost recovery of landfills experiencing SET events, in addition to assisting local governments and landowners on mitigating illegal disposal as result of landfills experiencing early closures or reduced operations.
- **State Water Board**—$463,000 ongoing special funds and 2 positions to strengthen the Los Angeles Regional Water Quality Control Board's technical and operational capacity to prevent, investigate, and respond to landfill SET events and other landfill-related threats to water quality and public health that go beyond day-to-day landfill regulation activities.

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HEALTH AND HUMAN SERVICES

The Health and Human Services Agency includes twelve departments and four state offices that provide health and social services to vulnerable and at-risk Californians. Despite recent federal policies and state actions to help contain expenditure growth in major programs, Health and Human Services Agency department expenditures are projected to continue growing at a significant rate, outpacing revenue projections.

The Governor's Budget includes proposals to help align program expenditures with projected revenue to mitigate the projected structural operating deficits in the out-years. The Budget includes $343.6 billion ($94.4 billion General Fund) for all health and human services programs in 2026-27.

DEPARTMENT OF HEALTH CARE SERVICES

Medi-Cal, California's Medicaid program, is administered by the Department of Health Care Services. Medi-Cal is a public health care coverage program that provides comprehensive health care services at no or low cost for low-income individuals. The Department also administers programs for special populations and several other non-Medi-Cal programs, as well as county-operated community mental health and substance use disorder programs. The Medi-Cal budget includes $196.7 billion ($46.4 billion General Fund) in 2025-26 and $222.4 billion ($48.8 billion General Fund) in 2026-27. Medi-Cal is projected to cover approximately 14.5 million members in 2025-26 and 14 million members in 2026-27—more than one-third of the state's population.

MAJOR ACCOMPLISHMENTS

- **Behavioral Health Services Act (Proposition 1)**—The state is improving accountability, increasing transparency, and expanding the capacity of behavioral health care facilities. Proposition 1 authorized $6.4 billion in General Obligation bonds, $4.4 billion administered by the Department of Health Care Services for behavioral health treatment sites and $2 billion administered by the California Department of Housing and Community Development in collaboration with the California Department of Veterans Affairs for permanent supportive housing. In addition, in 2026-27, counties are estimated to receive over $4 billion Behavioral Health Services Fund for behavioral health treatment and supports.
- **California Advancing and Innovating Medi-Cal (CalAIM)**—CalAIM improves the health care delivery system by providing whole person care for those with the most acute needs, including transitional housing assistance to prevent homelessness, and prioritizes prevention and health-related social needs.

SIGNIFICANT BUDGET ADJUSTMENTS

- **2025-26 Budget**—The Budget includes increased Medi-Cal expenditures of approximately $2 billion General Fund in 2025-26 compared to the 2025 Budget Act. This increase is driven primarily by federal fund claiming changes, including a one-time retroactive state-only claiming repayment and federal fund claim deferrals, as well as increased Medicare costs.

- **Year-Over-Year Comparison**—The Budget projects Medi-Cal expenditures of $48.8 billion General Fund in 2026-27, an increase of $2.4 billion General Fund compared to the revised 2025-26 expenditures. This increase is driven primarily by the Medical Provider Interim Payment loan ending in 2025-26 and a decrease in Managed Care Organization (MCO) Tax revenue available for Medi-Cal support.

- **House of Representatives (H.R.) 1 of 2025**—The Budget reflects the following significant adjustments related to the implementation of federal requirements included in H.R. 1:
  - **Work and Community Engagement Requirement**—An estimated reduction of $373 million ($102 million General Fund) in 2026-27 and $13.1 billion ($3.6 billion General Fund) by 2029-30, resulting from the new work and community engagement requirements for the Affordable Care Act adult expansion

population, effective January 1, 2027. Under this federal policy, these individuals must comply with federal work or community engagement requirements as a condition of Medi-Cal eligibility unless they meet an allowable exemption or short-term exception.

- **Medical Assistance Percentage for Emergency Services**—A cost of $658 million General Fund in 2026-27 and $872 million General Fund by 2029-30 due to the federal match reduction from 90 percent to 50 percent for emergency services for Affordable Care Act adult expansion population members with unsatisfactory immigration status.
- **Restrictions on Immigrant Eligibility**—Transitions individuals impacted by the federal eligibility change for qualified non-citizens to restricted-scope Medi-Cal. Effective October 1, 2026, the federal policy will exclude individuals with certain immigration statuses from federal eligibility for full-scope Medi-Cal, which significantly reduces federal funding for this population. If the state were to otherwise provide full-scope Medi-Cal to this population, the cost is estimated to be $786 million General Fund in 2026-27 and $1.1 billion General Fund ongoing.
- **Affordable Care Act Adult Expansion Six-Month Redeterminations**—A reduction of $463 million ($74 million General Fund) in 2026-27 and $3 billion ($474 million General Fund) by 2029-30 for decreased caseload resulting from the required federal eligibility redetermination frequency changing from once per year to every six months for this population.
- **Reduced Retroactive Medi-Cal Timeframes**—A reduction of $23 million ($10 million General Fund) in 2026-27 and $48 million ($20 million General Fund) ongoing from the reduction of retroactive Medi-Cal coverage changes from three months before an individual's application date to one month for the Affordable Care Act adult expansion population and two months for all other members, effective no sooner than January 1, 2027.

- **Managed Care Organization (MCO) Tax**—$4.5 billion in 2025-26 and $2.5 billion in 2026-27 MCO Tax revenue to support the Medi-Cal program and $1.6 billion across 2025-26 and 2026-27 to support increases in managed care payments relative to calendar year 2024 in certain domains. The current MCO Tax is not consistent with H.R. 1 requirement that prohibits taxing Medicaid providers at higher rates than non-Medicaid providers. Under recent federal guidance, the state will receive a transition period through June 30, 2026, which would result in a General Fund cost of approximately $1.1 billion in 2026-27. However, the Budget assumes a transition period through December 31, 2026 as California will continue to evaluate options to receive a full transition period. Additionally, H.R. 1 and Proposition 35 requirements significantly limit the potential size of a future MCO Tax, resulting in a substantial reduction in ongoing funding to support the Medi-Cal program.

- **MCO Tax Behavioral Health**—The Budget reflects $65 million in 2025-26 and $95.5 million in 2026-27 MCO Tax revenue for qualifying community-based mobile crisis services, transitional rent, and behavioral health rates from the calendar year 2025 behavioral health facility throughputs domain allocation.
- **Hospital Quality Assurance Fee**—The Budget assumes $1.3 billion General Fund to support children's coverage, a decrease of approximately $652 million General Fund compared to the 2025 Budget Act. Based on the federal government's notification that California's waiver request would not be approved as submitted, the Administration continues to evaluate options to modify the request for approval.

Department of Social Services

The Department of Social Services (DSS) serves, protects, and supports the people of California experiencing need in ways that empower well-being. The Department's major programs include the California Work Opportunity and Responsibility to Kids (CalWORKs), CalFresh and Nutrition Programs, In-Home Supportive Services (IHSS), Supplemental Security Income/State Supplementary Payment, Child Welfare and Adult Protective Services, Community Care Licensing, Disability Determination Services, and Child Care. The Budget includes $58.6 billion ($25.8 billion General Fund) for DSS programs in 2026-27.

Child Care and Development

DSS administers child care and development programs including CalWORKs Stages One, Two, and Three; the Emergency Child Care Bridge Program; Alternative Payment Programs; Migrant Child Care; General Child Care; Family and Child Care Home Education Networks; Child Care for Children with Severe Disabilities; and a variety of local supports for these programs, such as Resource and Referral Programs and Local Child Care Planning Councils, in addition to quality improvement projects. Families can access child care subsidies through centers that contract directly with DSS or through vouchers administered by county welfare departments and Alternative Payment Programs. The Budget includes $7.5 billion ($5.1 billion General Fund) for DSS administered child care and development programs.

MAJOR ACCOMPLISHMENTS

DSS assumed responsibility for administering child care from the California Department of Education on July 1, 2021. Since 2020-21, the state has invested over $3.6 billion in additional General Fund to increase access to child care and development services, improve affordability for families, support the child care workforce, and strengthen capacity, including funding approximately 125,000 new subsidized child care slots, and awarding 3,800 grants to providers to improve infrastructure.

In 2019, legislation was signed that set the stage for approximately 40,000 family child care providers to unionize as the Child Care Providers United (CCPU) - California. More recently, the state and CCPU reached a new three-year agreement on August 7, 2025. The agreement includes $38.2 million General Fund for increases to monthly payments to CCPU providers and an additional $157.9 million General Fund for one-time stabilization payments for all child care providers, including California State Preschool Providers. The agreement with CCPU also includes a commitment to invest up to $585 million General Fund over the next three years for health benefits, retirement benefits, and training for represented child care providers.

SIGNIFICANT BUDGET ADJUSTMENTS

- **Child Care Cost-of-Living Adjustment**—An increase of $89.1 million ongoing General Fund for a cost-of-living adjustment for DSS administered child care programs.
- **Child Care Infrastructure**—An increase of $11.5 million one-time Proposition 64 funding for child care infrastructure, specifically targeted toward communities impacted by recent fires.

FOOD AND NUTRITION

The CalFresh program, California's version of the federal Supplemental Nutrition Assistance Program (SNAP), provides federally funded benefits for eligible families to purchase food needed to maintain adequate nutrition. The Budget includes $3.2 billion ($1.6 billion General Fund) in CalFresh and nutrition programs. In addition, $12.8 billion in federal food benefits is provided directly to recipients by the federal government. The average monthly CalFresh caseload is projected to be 3.4 million households in 2026-27.

MAJOR ACCOMPLISHMENTS

In recent years, CalFresh and nutrition programs have expanded, increasing the number of individuals served. According to the most recently available data from the U.S. Department of Agriculture, about 80 percent of eligible Californians receive CalFresh, a 20-percent increase over the previous two years.

Since summer 2024, California has participated in the SUN Bucks program, which provides $120 per child ($40 per month for June, July, and August) in federally funded food benefits to approximately 5.4 million children who lose access to free and reduced-price meals during the summer school closure period. The Budget includes $73.4 million ($36.7 million General Fund) in 2026-27 for transaction costs and outreach to allow the state to provide an estimated $642.8 million in federal food assistance to children.

SIGNIFICANT BUDGET ADJUSTMENTS

- **H.R. 1**—Federal policy and cost sharing changes included in H.R. 1 resulted in significant changes to CalFresh eligibility and increased the state's share of costs for the CalFresh program.
  - **Cost-Sharing Provisions**—The Budget includes an increase of $382.9 million General Fund in 2026-27 to reflect the federal share of CalFresh administrative cost reduction from 50 percent to 25 percent. As a result, the Budget assumes General Fund and county share of cost increases beginning October 1, 2026. The state continues to assess the potential fiscal impact of the benefit cost sharing provision of H.R. 1 based on the payment error rate beginning October 1, 2027. The 2025 Budget Act includes $39.9 million ($20.1 million General Fund) to support various initiatives to improve the state's payment error rate.
  - **Eligibility Provisions**—The Budget includes $66.2 million in anticipated reduced General Fund costs in 2026-27 due to changes in federal policy, resulting in fewer individuals remaining eligible for CalFresh benefits. Those federal policy changes include, but are not limited to: ineligibility for certain lawfully present non-citizens; updated Able-bodied Adults without Dependents work requirements, and State Utility Assistance Subsidy limitations.

IN-HOME SUPPORTIVE SERVICES

The IHSS program provides domestic and related services such as housework, meal preparation, and personal care services to eligible low-income individuals with disabilities, including children and adults, as well as low-income individuals who are ages 65 and over. These services are provided to assist individuals to remain safely in their homes and prevent more costly care in advanced care settings. The Budget includes $33.4 billion ($12.5 billion General Fund) for the IHSS program in 2026-27. Average monthly caseload in this program is estimated to be 875,344 recipients in 2026-27.

MAJOR ACCOMPLISHMENTS

Since 2019, California has invested over $8.2 billion General Fund to restore and support service hours, improve administration, and support provider career pathways and systems. The IHSS program has continued to expand and serve a growing number of individuals, with over 800,000 recipients and over 800,000 providers statewide.

SIGNIFICANT BUDGET ADJUSTMENTS

- **Administrative Efficiency: Streamlining Eligibility to Align with Medi-Cal**—A reduction of $86 million General Fund to conform the IHSS Residual Program with the timing of Medi-Cal coverage, beginning in 2026-27.
- **IHSS Backup Provider System**—A reduction of $3.5 million General Fund to eliminate the IHSS Backup Provider System, beginning in 2026-27.
- **IHSS Growth in Assessed Hours**—A reduction of $233.6 million General Fund to remove the state's share of cost for IHSS hours per case growth, beginning in 2027-28.

DEPARTMENT OF DEVELOPMENTAL SERVICES

The Department of Developmental Services (DDS) provides individuals with intellectual and developmental disabilities a variety of services that allow them to achieve their goals. The state's developmental services are designed to meet the needs and choices of individuals at each stage of their lives, and support them in their home communities, providing choices that are reflective of lifestyle, cultural, and linguistic preferences. The Budget includes $21.1 billion ($13.5 billion General Fund) and estimates that over

527,000 individuals will receive services in 2026-27. The expenditure growth from 2025-26 continues to be driven by service utilization and caseload increases.

DDS continues to work closely with regional centers, service providers, and the community on numerous initiatives to streamline and enhance developmental services and supports statewide, including service provider rate reform, multiple information and process standardization efforts, enhanced transparency, supports for people with neurodiversities (including autism), employment, and workforce development.

MAJOR ACCOMPLISHMENTS

In recent years, the state has undertaken historic reforms focused on stabilizing the service delivery system, promoting equity and consistency, and improving outcomes for individuals served.

A key component of these efforts has been the multi-year investment in, and implementation of, new service provider rates, and an associated quality incentives program, estimated at approximately $3.5 billion ($2.1 billion General Fund) annually.

SIGNIFICANT BUDGET ADJUSTMENT

- **Federal Cost-Sharing Reimbursements**—The Budget reflects an increase in Medicaid reimbursements of $265.2 million in prior years, and $154.6 million beginning in 2025-26 and ongoing. This increase is due to updating federal matching claims for the Affordable Care Act adult expansion population receiving regional center services.

OTHER HEALTH AND HUMAN SERVICES

MAJOR ACCOMPLISHMENTS

- **Behavioral Health Continuum**—The state has invested approximately $8.5 billion total funds across various Health and Human Services departments to expand the continuum of behavioral health treatment and infrastructure capacity and transform the system for providing behavioral health services. This includes $4.2 billion total funds for the Children and Youth Behavioral Health Initiative, $2.9 billion total funds for the Behavioral Health Bridge Housing Program and the Behavioral Health Continuum Infrastructure Program, and $1.4 billion total funds for Mobile Crisis Response.

- **Behavioral Health Community-Based Organized Networks of Equitable Care and Treatment (BH-CONNECT) Initiative**—The BH-CONNECT Initiative aims to expand the continuum of community-based services and evidence-based practices available for children, youth, and adults living with behavioral health conditions through an investment of nearly $8 billion total funds over five years.
- **Health Care Workforce**—The state has invested approximately $1.9 billion ($1.7 billion General Fund and $174.2 million other funds) for various initiatives within the Department of Health Care Access and Information, Department of Public Health, and Department of Health Care Services, to support health workforce development with a focus on nursing, primary care, public health, and behavioral health workforce. In addition, there is a $1.9 billion investment for the BH-CONNECT Behavioral Health Workforce Initiative administered by the Department of Health Care Access and Information.
- **Incompetent to Stand Trial Waitlist**—The state has invested approximately $2 billion General Fund since the 2021 Budget Act to reduce the waitlist of Incompetent to Stand Trial patients awaiting placement in Department of State Hospitals' facilities from almost 2,000 individuals to less than 300 and to expand the number of state and community-based treatment beds from approximately 1,400 to over 2,300.
- **Master Plan for Aging**—The state developed and continues to make progress on its 10-year blueprint to advance the longevity, well-being, and inclusion of people of all ages and abilities and build age-friendly communities statewide, backed up with historic investments, groundbreaking new initiatives, and collaborative public-private partnerships.
- **Master Plan for Developmental Services**—This March 2025 Master Plan is a community-driven blueprint for a more consumer-friendly and effective experience for individuals and families receiving developmental services. It specifically focused on making recommendations that support person-centered, equitable, data-driven, and coordinated lifelong services from a stable workforce that emphasize quality, equity, and outcomes, while improving regional center accountability, performance, and service provider quality.
- **Office of Health Care Affordability**—The Office of Health Care Affordability addresses the rising cost of health care by analyzing the health care market for cost trends and drivers of spending and setting and enforcing spending cost targets.
- **CalRx**—The state developed a generic drug program, making California the first state with its own generic drug label, to make medications more affordable. Since its inception, CalRx has developed low-cost biosimilar insulin and naloxone nasal

spray products, with the prices of CalRx insulin and naloxone expected to be more than 50 percent lower than the original market prices.

SIGNIFICANT BUDGET ADJUSTMENTS

- **Federal Rural Health Transformation Program**—$233.6 million federal funds in federal fiscal year 2026 to expand access to care, strengthen the workforce, and enhance infrastructure in rural and frontier communities at the Department of Health Care Access and Information.
- **Behavioral Health Funding**—A placeholder of $150 million Behavioral Health Services Fund in lieu of General Fund for workforce and prevention programming at the Department of Health Care Access and Information and the California Department of Public Health with the specific proposal to be updated at the May Revision.
- **Reproductive Health Grant Program**—$60 million one-time General Fund in 2025-26 for the Department of Health Care Access and Information to provide grants to reproductive health care providers. This is in addition to $90 million MCO Tax funds and $56 million Abortion Access Fund in 2025-26 to support reproductive health care providers.
- **Menopause Services**—$3.4 million (up to $3 million General Fund) in 2026-27 and $391,000 Managed Care Fund ongoing, to support health care coverage for perimenopause and menopause, including enrollee access to care, provider education, and a statewide public awareness campaign.
- **Vocational Rehabilitation Program Capacity**—$60 million ongoing in federal funds to support increased demand for Department of Rehabilitation services provided to individuals with disabilities pursuing opportunities for employment.

Housing and Homelessness

California has implemented a comprehensive set of housing and homelessness reforms that have accelerated housing production, reduced development timelines and costs, strengthened accountability, and delivered measurable results. Through streamlined approvals, modernized review processes, and targeted housing law enforcement, the state has enabled faster housing delivery while making significant investments to address homelessness and encampments.

Major Accomplishments

- **Housing Delivery Improvements**—California has improved its housing delivery and finance systems while scaling investments to expand access to affordable housing statewide. Since 2019, nearly 1.36 million housing permit applications have been submitted, with nearly 600,000 homes built, and approximately 40 percent of permitted multifamily units affordable to low-income households. Through its core multifamily programs, the state has funded 81,000 affordable homes, supported by reforms such as the Multifamily Finance Super Notice of Funding Availability (Super NOFA). In partnership with the State Treasurer, the Administration has advanced the largest sustained investment in housing in California's history by strategically leveraging bonds and tax credits to maximize federal and private capital.
- **Investments in Housing Stability and Addressing Homelessness**—California has made historic investments in housing stability and addressing homelessness. Investments since 2019 have included the launch of the first-in-the-nation Homekey program

that will serve nearly 16,000 homes across 250 projects and reached over 172,000 Californians; $2.25 billion through Homekey+ to serve individuals with mental health or substance use challenges and veterans; over $5 billion appropriated for Homeless Housing, Assistance, and Prevention (HHAP) to support local jurisdictions in promoting housing stability and reducing homelessness; and $1 billion in Encampment Resolution Funds to provide services and housing to help 23,000 individuals across 120 encampment sites transition from homelessness. These efforts, along with down payment assistance and mortgage relief programs that support more than 45,000 first-time homebuyers, have helped stabilize households during periods of disruption. Since 2019, state funding has supported 111 awards totaling more than $285 million for tribal communities.

- **Regulatory Improvements**—The Administration, in partnership with the Legislature, has advanced historic land-use and regulatory reforms that are accelerating housing delivery and strengthening accountability. Streamlining measures have reduced multifamily entitlement timelines and enabled applications, that would otherwise have faced discretionary review, for nearly 40,000 homes between 2018 and 2024, contributing to record production outcomes, including a nearly 59 percent increase in residential construction over the same period.
- **Pro-housing Results**—Jurisdictions that have embraced regulatory reforms have seen significant results, with Pro-housing cities experiencing 74 percent growth in residential construction from 2018 to 2023, outpacing the statewide average and far exceeding jurisdictions without the Pro-housing designation. Expanded housing element technical assistance has resulted in approximately 88 percent statewide compliance, with local governments identifying land capacity for 3.6 million homes, including 1.4 million affordable units. Record Accessory Dwelling Unit permitting—30,534 in 2024—and implementation of the Surplus Land Act have further expanded housing opportunities, creating a pipeline of more than 40,000 homes, including approximately 5,000 on state excess sites.
- **Housing and Homelessness Agency Framework**—Central to the state's long-term efforts is the implementation of the Governor's Reorganization Plan, which establishes a dedicated housing and homelessness agency to oversee the coordination, accountability, and effective program delivery across state programs. The Budget advances that framework by supporting programmatic consolidations, streamlined processes, and stronger alignment among the state's major housing programs to improve efficiency and maximize the impact of available resources.

Together, these actions are intended to solidify recent progress and strengthen the resilience of California's housing system to address housing and homelessness statewide.

HOUSING

Housing production and strengthening the preservation and long-term viability of existing affordable housing remain Administration priorities. Making durable progress requires advancing both increasing supply to meet demand while stabilizing current affordable homes to mitigate displacement and loss of capacity.

The Governor's Reorganization Plan established a dedicated state housing and homelessness agency to institutionalize the state's progress both now and over the long term. Consistent with that framework, the Budget reflects the implementation of the California Housing and Homelessness Agency (CHHA) and the Housing Development and Finance Committee (HDFC), as well as incorporates steps to streamline and integrate the state's housing finance system to accelerate project delivery and reduce costs.

HOUSING PROPOSALS

CALIFORNIA HOUSING AND HOMELESSNESS AGENCY IMPLEMENTATION

In furtherance of the Governor's Reorganization Plan, the Administration continues to implement CHHA and HDFC. This structural shift transforms California's affordable housing finance system from a fragmented landscape into a coordinated "one-stop shop" for project delivery for projects utilizing other state resources within the housing agency.

- **Coordinated Financing**—Consistent with this framework, the Administration proposes statutory changes to improve alignment of affordable housing programs under HDFC to better coordinate state housing resources with complementary financing tools, including Low-Income Housing Tax Credits and a dedicated share of private activity bonds to be directly allocated by HDFC for its funded projects to support timely deployment of housing funds.
- **Prioritizing Efficiency**—To operationalize this new streamlined agency structure, any future housing appropriations should be designed to flow through a single, coordinated application and award process. Similarly, any future investments in

state Low-Income Housing Tax Credits should be paired with other state housing investments to streamline financing and prevent delays in project delivery. The Administration also proposes to codify a long-term allocation of private activity bonds for affordable housing, reflecting its sustained commitment since 2019 to direct the majority of the state's bond cap toward affordable housing.

- **Modernizing the Affordable Housing and Sustainable Communities (AHSC) Program**—To strengthen the state's largest ongoing housing capital program, the Administration also proposes programmatic changes to modernize the AHSC Program. The housing capital component will be realigned within HDFC to better leverage complementary subsidies, streamline administration, and accelerate project delivery while maintaining AHSC's rigorous climate and sustainability standards. The sustainable communities components of AHSC will continue to be administered by the Strategic Growth Council and be updated to support more flexible, catalytic infrastructure investments aligned with regional priorities, maximizing the impact of limited resources to more effectively deliver climate-aligned housing.

PRESERVATION AND SUSTAINABILITY

To support ongoing efforts to keep Californians in their homes, the Administration will advance efforts to leverage preservation opportunities within the Low-Income Housing Tax Credit program and support sponsors in accessing and redeploying resources within the existing Department of Housing and Community Development portfolio to strengthen long-term sustainability and housing stability.

REBUILDING AFTER THE LOS ANGELES FIRES

The Administration remains focused on supporting residential rebuilding in Los Angeles, building on actions last year to clear debris at a record pace, expedite permitting, and fund development of affordable housing. With many survivors facing a gap between their insurance proceeds and the cost to rebuild, the Administration is exploring creative financing mechanisms to address the residential rebuild funding gap and will work on a proposal for consideration to include in the May Revision.

SIGNIFICANT BUDGET ADJUSTMENT

- **Affordable Housing and Sustainable Communities: Housing**—Up to $560 million annually from Cap-and-Invest proceeds will be shifted to HDFC to administer affordable housing programs as part of the Administration's modernization of the

AHSC Program, aligning the state's largest ongoing source of housing capital funding within the new CHHA to streamline administration, better leverage complementary housing subsidies, and accelerate delivery of climate-aligned affordable housing. See the Climate Change Chapter for additional information about the sustainable communities' portions of the funding.

HOMELESSNESS

In 2021, the California Interagency Council on Homelessness (Cal ICH) was restructured to serve as the state's central coordinator for homelessness policy, data, and performance. Cal ICH has since developed a coordinated, equitable, and accountable response to homelessness. Although homelessness increased nationally by more than 18 percent in 2024, California saw an overall increase of 3 percent, significantly reducing veteran homelessness and making meaningful progress in reducing youth homelessness.

A cornerstone of Cal ICH's work is statewide data and transparency, including stewardship of the Homeless Data Integration System—the nation's only statewide aggregation of local Homeless Management Information System data—and implementing public dashboards that improve accountability and align funding with outcomes. Cal ICH has also led the design and early implementation of major homelessness programs and provided statewide policy leadership through California's first three-year Statewide Action Plan for Preventing and Ending Homelessness, as well as the Recovery Housing Guidance.

In addition, Cal ICH has advanced equity, tribal partnership, and lived-experience governance by issuing the state's first Tribal Homelessness Policy Brief, establishing a Lived Experience Advisory Board, and launching the HELP Act dashboard to track outcomes for historically underserved populations. Through the Governor's Reorganization Plan, Cal ICH will be established as a stand-alone department, institutionalizing coordination, accountability, and data-driven leadership to provide California with a fully integrated and durable statewide homelessness response over the long term.

The state continues to deploy significant resources to prevent homelessness; this includes a sixth round of HHAP totaling $1 billion. In addition, there is a seventh round totaling $500 million planned, contingent on enhanced accountability and performance requirements. Additionally, the state has allocated $636 million to 1,818 units through Proposition 1 to date, with $1.6 billion expected to be made available over the coming year to support housing and services for people experiencing homelessness.

Beginning in July 2026, implementation of the Behavioral Health Services Act will further strengthen this continuum by establishing a dedicated ongoing 30-percent allocation for housing intervention programs, providing counties with a significant and sustained infusion of resources to support housing stability for individuals experiencing homelessness, or who are at risk of homelessness, and who have behavioral health needs. Together, these investments reflect the state's continued commitment to pairing scale with accountability, aligning housing and behavioral health systems, and demonstrating durable progress in addressing homelessness statewide.

However, recent federal actions have created significant volatility and uncertainty in the housing and homelessness landscape, increasing risks to housing stability for Californians who rely on federal housing programs. The Administration will continue to explore ways to provide programmatic flexibility in response to these dynamics to further efforts to provide housing stability to Californians.

CIVIL RIGHTS DEPARTMENT

The Civil Rights Department (CRD) is the largest state civil rights agency in the country. It enforces many of California's civil rights laws, including in the areas of housing, employment, business and public accommodations, state-funded programs and activities, professional relationships, hate violence, and human trafficking.

MAJOR ACCOMPLISHMENTS

- **Community Conciliations**—The CRD Community Conflict Resolution Unit is a dedicated team focused on helping entire communities resolve conflicts. In its first two years of operations, the unit has assisted communities in California in preventing violence, reducing tension, and finding mutually agreeable solutions to issues related to discrimination and hate by facilitating over 120 community engagement sessions.
- **Commission on the State of Hate**—The Commission on the State of Hate works to advance the state's efforts to stop hate by conducting research, developing policy and programmatic recommendations, and engaging with California's diverse communities. The Commission hosted 12 community forums from 2023 to 2025, and the Commission's latest published report includes 19 interim policy

recommendations and three sets of tools to help communities and governments combat hate.

- **Pay Data Reporting**—CRD collects and analyzes pay and demographic data annually from large California employers under the Pay Data Reporting program and releases new estimates on pay disparities following each reporting cycle. This program encourages employers' compliance with equal pay and anti-discrimination laws.
- **Outreach and Education**—The CRD Outreach and Education Unit engages in extensive efforts to reach Californians across the state to share information about the protections that exist and how to get support. In 2024, CRD visited 66 cities at nearly 200 in-person events, sent over 700 compliance letters addressing online housing and employment advertisements that violated the law, and oversaw nearly 200 fair housing tests for discrimination.

SIGNIFICANT BUDGET ADJUSTMENTS

- **Permanent Support for Bureau for Descendants of American Slavery**—The 2025 Budget included $6 million one-time General Fund to establish the Bureau. The Budget includes permanent position authority, $991,000 General Fund in 2028-29, and $2 million in 2029-30 and ongoing to maintain funding at existing operational levels.
- **Extension of Commission on the State of Hate**—To continue operations of the Commission from January 1, 2027, to the extended sunset date of January 1, 2031, and maintain funding at existing operational levels, the Budget includes $900,000 in 2026-27, $1.8 million in 2027-28 through 2029-30, and $900,000 in 2030-31.

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Criminal Justice and Judicial Branch

Department of Corrections and Rehabilitation

The California Department of Corrections and Rehabilitation (CDCR) incarcerates people convicted of the most serious and violent felonies, supervises those released to parole, and provides rehabilitation programs to help people reintegrate into the community. The Department strives to facilitate the successful reentry of the individuals in its care back to their communities, equipped with the tools to be drug-free, healthy, and employable members of society by providing education, treatment, and rehabilitative and restorative justice programs. The Budget includes total funding of approximately $14.2 billion ($13.8 billion General Fund and $400 million other funds) for CDCR. Of this amount, approximately $4.1 billion General Fund is for health care programs, which provide incarcerated individuals access to mental health, medical, nursing, and dental care services.

The adult incarcerated population is projected to continue its overall long-term downward trend over the next few years. Fall projections estimate the average daily adult incarcerated population for 2025-26 to be 89,162, a decrease of 2.2 percent from the spring 2025 projections, and 87,613 in 2026-27, a decrease of 5.5 percent from the spring projections. In the longer term, the population is projected to decline to 84,664 incarcerated individuals by June 30, 2030. While the overall population is projected to continue its decline, the number of adult incarcerated individuals age 55 and older is currently more than 19,000. Older incarcerated individuals tend to have complex needs that drive higher costs.

Proposition 36, passed in November 2024, was expected to increase CDCR's population by 1,878 in 2025-26 and 3,597 upon broader implementation as of spring projections. Fall projections now indicate Proposition 36 impacts will be 562 in 2025-26 and approximately 1,200 upon full implementation. The active parolee average daily population is projected to be 33,816 in 2025-26, declining to 32,432 in 2026-27. The parole population is projected to decline further to 30,785 by June 30, 2030.

Prison Capacity and Closure

The adult prison population has declined steadily in recent years, which has provided opportunities for CDCR to eliminate its reliance on contract prison capacity. CDCR terminated its final remaining contract to house incarcerated persons out-of-state in June 2019, and its final in-state contract community correctional facility in May 2021. Additionally, CDCR terminated the lease of the California City Correctional Facility (California City), its last privately-owned prison contract in March 2024. In total, the termination of these contracts has saved the state hundreds of millions of dollars in annual expenditures.

CDCR has closed three state-owned adult institutions since 2021: (1) Deuel Vocational Institution (Tracy) in September 2021, (2) California Correctional Center (Susanville) in June 2023, and (3) Chuckawalla Valley State Prison (Blythe) in March 2025, and plans to close a fourth institution, the Correctional Rehabilitation Center (Norco) by October 2026. These four closures will save approximately $594 million General Fund annually by 2027-28.

These closures have also resulted in additional savings of $11.1 million ongoing General Fund, which reflects a reduction in administrative workload and positions associated with supporting the four prison closures.

Apart from the four full prison closures, since 2021-22, CDCR closed facilities in six other male institutions and the Folsom Women's Facility within Folsom State Prison. These facility closures save $208.3 million General Fund annually.

To balance the importance of providing services to the incarcerated population while also reducing excess capacity, CDCR has deactivated 42 housing units across 11 prisons since 2024-25, achieving estimated annual ongoing savings of $82 million General Fund, along with facility deactivations at four prisons, achieving estimated ongoing savings of $65.5 million. The deactivation of these housing units and facilities allows the Department to maintain the use of its programming space, providing for the continuation of rehabilitative programming while simultaneously reducing the number of available beds and achieving additional savings. The cumulative savings from full prison closures, facility closures, facility deactivations, and contract terminations will be approximately $4.9 billion by 2027-28. The prison and facility closures noted above result in a reduction of 15,113 beds, while the housing unit deactivations took approximately 5,494 additional beds offline.

In assessing capacity, CDCR takes into consideration a variety of factors for the safety and security of its population, specialized bed needs, and available health care, educational, and rehabilitation programming space, while also assessing the amount and type of space needed to provide services and a more normalized living environment to support the incarcerated population.

The Administration remains committed to meeting the needs of staff and the incarcerated population while right-sizing California's prison system as the prison population declines, and to addressing space needs as the state transforms the carceral system to one more focused on rehabilitation in preparation for reentry into communities.

Juvenile Justice Realignment

In 2020, California held approximately 800 youth in state juvenile detention facilities. Justice-involved youth were realigned to county probation departments, and counties are responsible for the care of all justice-involved youth. Transition of youth from the Division of Juvenile Justice began in 2021 and all state juvenile facilities were closed by June 30, 2023. In addition, the state created the Office of Youth and Community Restoration within the Health and Human Services Agency to help improve outcomes and support counties in serving justice-involved youth. The Office promotes trauma-responsive and developmentally-appropriate services for youth involved in the juvenile justice system that support their successful transition into adulthood.

Significant Budget Adjustments

The Budget includes resources to address essential CDCR workload and baseline costs:

- **Lump Sum Payments**—$90.1 million ongoing General Fund to pay accrued leave balances to employees upon retirement or separation from state service. While

CDCR has historically absorbed these costs through salary savings, that flexibility has been greatly reduced due to lower vacancy rates, largely a result of prison capacity reductions.

- **ADA Facility Improvements**—$23.1 million one-time General Fund in 2026-27 to complete accessibility improvements at eight institutions.
- **Statewide Fire Alarm Replacements and Fire Watch**—$15.2 million one-time General Fund in 2026-27 for overtime for staff to patrol for fires, as mandated by the Office of the State Fire Marshal, and reappropriation of prior year funding to complete fire alarm replacement projects.
- **Board of Parole Hearings Information Technology System (BITS) Contract**—$1.2 million General Fund in 2026-27, growing to $1.5 million General Fund in 2029-30 and ongoing, to support increased costs for BITS' new contract term.

REHABILITATION AND REENTRY

Increasing access to rehabilitative and reentry programs is integral to improving post-release outcomes for incarcerated individuals and reducing recidivism. CDCR operates a wide range of rehabilitative programs with the goal of supporting individuals successfully reintegrating into their communities following their release from prison.

MAJOR ACCOMPLISHMENTS

- **San Quentin Rehabilitation Center and the California Model**—In March 2023, the Administration announced a plan to transform San Quentin State Prison, the oldest in the state, into the San Quentin Rehabilitation Center, focused on providing every incarcerated person access to rehabilitation and education programs, as well as the opportunity to gain resources and skills to improve their outcomes upon reentering their communities (see the Infrastructure Overview Chapter for additional information related to the San Quentin Rehabilitation Center). Through CDCR's Executive Steering Committee and Planning and Implementation Team, the Department has implemented California Model initiatives that expand rehabilitative programs and provide professional development focused on behavior change while focusing on the principles of dynamic security, normalization, peer support, and becoming a trauma-informed organization. These initiatives promote the health and well-being of those who work and live within the prison environment.

- **Pre-Release Community Correctional Reentry Centers**—Recognizing the important role that reentry facilities play in rehabilitation and successful reentry into the community, the Administration has funded the establishment of two new community reentry program sites, with six more planned to activate by 2028. Upon full activation, these programs will serve approximately 2,000 participants concurrently. Since 2020, 9,095 incarcerated persons have participated in reentry programs.

- **Post-Release Community Reentry Programs**—CDCR operates a wide range of rehabilitative programs with the goal of supporting individuals in successfully reintegrating into their communities following their release from prison. These programs serve an average of 15,000 participants annually, with $148.4 million General Fund and $44.2 million in reimbursement funding included in the Budget to support these services. Additionally, methodologies implemented to support these services will increase funding in future years to support the costs of these programs. Since 2020, 55,271 supervised persons have participated in post-release community reentry programs.

- **Community-Based Organizations**—The Administration continues to support grants and funding for community-based organizations that assist formerly incarcerated individuals transitioning into the community. The Budget includes $23.3 million General Fund and $10.7 million in ongoing reimbursements to support these organizations and their missions.

- **Post-Secondary Education**—Through in-prison services like literacy programs and community programs like Project Rebound, the Administration has supported an increased presence of education in CDCR settings. In 2022, ongoing funding was included in the Budget to support bachelor's degree programs at seven institutions in collaboration with the California State University system. The Budget includes $259.8 million General Fund and $8.5 million in ongoing reimbursements for the academic and vocational education of the incarcerated population. Since 2022, 248 incarcerated students have received a bachelor's degree.

- **Free Voice Calling for Incarcerated Individuals**—Chapter 827, Statutes of 2022 (SB 1008) authorized the Department of Finance to determine funding for voice calling services for incarcerated individuals. The Budget includes $31.6 million General Fund in 2025-26 and $28.7 million in 2026-27 to continue providing free voice calling for the incarcerated population. Additionally, the distribution of tablets to all incarcerated persons facilitates greater connection with support systems in the community.

SIGNIFICANT BUDGET ADJUSTMENT

- **Post-Release Community Reentry Programs**—$5.3 million General Fund in 2026-27, increasing to $14.3 million General Fund in 2030-31, to increase contract rates for post-release reentry programs. This completes the right-sizing of all post-release reentry programs, a process that started in the 2024 Budget Act.

HEALTH CARE SERVICES FOR INCARCERATED INDIVIDUALS

The Budget continues the state's commitment to delivering quality health care services to incarcerated individuals. This includes approximately $4.1 billion General Fund in 2026-27 for CDCR health care programs, which provide incarcerated individuals access to medical, nursing, mental health, and dental care services that are consistent with the standards and scope of care appropriate within a custodial environment.

MAJOR ACCOMPLISHMENTS

- **Delegation of Institutions**—In 2015, the *Plata* Receiver began transitioning institutional medical care back to the state’s control. In 2019, 15 institutions remained under control of the Receiver and, as of December 1, 2025, 11 of these institutions have been delegated. There are currently only four institutions remaining to be transitioned back to the state.
- **Integrated Substance Use Disorder Treatment Program (ISUDT)**—The ISUDT Program was implemented in 2019 to combat alcohol and opioid addiction-related issues within state prisons. This program includes the use of medication-assisted treatment for incarcerated individuals with opioid and alcohol use disorders, cognitive behavioral treatment curriculum, development and management of patient treatment plans, as well as substance use disorder-specific pre-release transition planning. The Budget includes $285.3 million ongoing General Fund to maintain this program.
- **Telemental Health**—Since 2019, the Administration has greatly expanded the Telemental Health Program, which includes psychiatry, psychology, and social work disciplines. The use of telehealth services has proven successful in enhancing CDCR’s ability to effectively and efficiently deliver medical and mental health care services to patients, while also supporting staff recruitment and retention for clinical positions that have historically been hard to fill. The Budget includes an augmentation of $8.9 million General Fund and 69 positions in 2026-27, and $13.5 million and 119 positions in 2027-28 and ongoing, to support expanded use of

telemental health services, bringing the total ongoing Mental Health operations budget to $126.1 million General Fund.

MENTAL HEALTH RECEIVERSHIP

Coleman is a class action lawsuit filed in 1990, involving Eighth Amendment violations with respect to the delivery of mental health care to individuals incarcerated within CDCR. In 2009, the *Coleman* Court set a maximum staff vacancy rate of ten percent, and in February 2023, the Court issued an order imposing monetary sanctions on CDCR. These sanctions included monthly fines for staff vacancies in excess of ten percent, beginning in April 2023.

The Court initially ordered fines to be paid to the Court's Registry, but in September 2024, the Court approved the state's request that fines instead be deposited into a Special Deposit Fund (SDF) within the State Treasury until they are expended. The state created the Mental Health Staffing SDF to hold the accumulated fines. While the state deposited $155.2 million into the SDF, the appeals court later adjusted accrued fines. The balance in the SDF, as of November 20, 2025, was $121.6 million.

In April 2025, the Court appointed a Receiver-nominee for a four-month period to develop a plan to implement the court-ordered remedies in the case. On August 27, 2025, the *Coleman* Court issued an order appointing the Mental Health Receiver and stayed future accumulation of staffing fines, effective September 1, 2025. The Court granted the Receiver all powers vested by law in the Secretary of CDCR, as related to the administration, control, management, operation, and financing of the CDCR Mental Health Services Delivery System and provision of mental health services to class members.

At the direction of the Court, the Mental Health Receiver submitted a Receiver Action Plan, which included implementation costs estimated at $41.5 million for the Receiver's office costs and consulting services, employee bonuses, and institutional resource teams. The Court generally approved the Plan, ordered the temporary staffing bonuses be made permanent, and directed the Receiver to expend the balance of the funds in the SDF to implement the Plan according to the priorities identified.

The Budget anticipates spending $33.9 million from the SDF to support staffing costs of the Receiver's office and to continue clinical staff bonuses ordered by the court and in place since August 2024. The Administration plans to continue working with the

Receiver to identify additional resource needs to implement the court-ordered remedies in this case.

PUBLIC SAFETY INVESTMENTS

Public safety is a top priority in California, as demonstrated by the multifaceted criminal justice investments made in recent years to increase the safety of our communities. The state has made substantial investments in strategies focused on positive policing and addressing peace officer misconduct, as well as targeted investments to reduce violence, combat illicit drugs, and support victims.

California has invested approximately $2.1 billion ($1.8 billion General Fund and $300 million special funds) in various public safety efforts since 2021-22—including $194.6 million in 2026-27—in recognition of the importance of keeping Californians safe. This includes spending in the following areas carried out by the California Governor's Office of Emergency Services, the California Highway Patrol, the Department of Justice, and the Board of State and Community Corrections, among others:

- $636.8 million for community public safety, including $300 million for Nonprofit Security Grants, $85 million for Law Enforcement Mutual Aid, and $39 million to protect children against crimes, including an ongoing General Fund commitment of $7 million for the California Internet Crimes Against Children Task Force and $5 million for child sexual abuse investigations.
- $397.6 million to target organized retail theft, including $255 million in local law enforcement grants, $26 million for vertical prosecution grants, and over $110 million to permanently expand retail theft task forces.
- $445 million to combat gun violence, including over $300 million for the California Violence Intervention and Prevention Grant Program (CalVIP).
- $546.8 million for victim services, including over $100 million for Human Trafficking Victim Assistance, $303 million to backfill federal Victims of Crime Act Supplemental Funding, and $42 million for Missing and Murdered Indigenous Persons.
- $109.7 million to combat illicit drugs, including $75 million for drug interdiction efforts and $35 million for fentanyl enforcement.

As noted above, the Administration has invested $300 million in support of the Nonprofit Security Grant Program, of which $80 million is included in 2025-26. In addition, the state has received $159.6 million from the federal Nonprofit Security Grant Program since

2020-21, including $15.6 million in Nonprofit Security Grant Program National Security Supplemental funding. Given that state funding ends in 2025-26, the Administration will work with the Legislature on a proposal for the May Revision to protect this important program.

SIGNIFICANT BUDGET ADJUSTMENTS

- **CalVIP**—The Budget includes $56.4 million Gun Violence and Prevention and School Safety Fund in 2025-26 and $51.9 million in 2026-27 for CalVIP. Chapter 231, Statutes of 2023 (AB 28) created the Fund, supported by excise taxes applied to firearms and ammunition sales. In administering CalVIP, the Board of State and Community Corrections issues grants to cities, counties, and tribal governments disproportionately impacted by gun violence, as well as community-based organizations. CalVIP funds a variety of evidence-based programs aimed at enhancing public health and safety through support for community-based gun violence reduction efforts to lower the rates of homicides, shootings, and aggravated assaults. Prior to AB 28, funding for CalVIP was dependent on the availability of General Fund. AB 28 provides an ongoing and more stable fund source to permanently support CalVIP.
- **Drug Interdiction Continuation**—The Budget includes $30 million General Fund ($15 million in 2026-27 and $15 million in 2027-28) to further expand the Military Department's existing drug interdiction efforts to prevent drug trafficking by transnational criminal organizations throughout the state, with a particular focus on assisting federal, state, local, and tribal law enforcement agencies in combating fentanyl. The 2022 Budget Act included $15 million in 2022-23 and 2023-24 to support this program. The 2024 Budget Act included another $15 million in 2024-25 and 2025-26 to continue this program. This brings the total investment to $90 million for drug interdiction efforts.

PROPOSITION 47 SAVINGS

Proposition 47, passed in 2014, requires misdemeanor rather than felony sentencing for certain property and drug crimes and permits incarcerated persons previously sentenced for these reclassified crimes to petition for resentencing. Proposition 47 invests savings from reduced prison utilization in prevention and supporting community programs; funds are allocated according to the formula specified in the ballot measure, which requires 65 percent be allocated for grants to public agencies to support various recidivism reduction programs (such as mental health and substance use treatment services), 25 percent for grants to support truancy and dropout prevention programs, and 10 percent for grants for victim services. The Budget estimates net General Fund savings of $81.3 million in 2026-27.

To calculate the state savings for offenders who are no longer sent to state prison, the Department of Finance has historically used a blend of the in-state marginal cost and the contract bed cost, multiplied by the average daily population of avoided offenders. Beginning in 2026-27, Finance will use only the marginal cost because the state no longer uses contract beds. The marginal cost is defined as the annual population-driven costs—such as food, medical care, programming, and vocational training—of incarcerating one additional offender. The marginal cost is currently $20,105.

Proposition 36 is projected to increase the state prison population and therefore decrease savings associated with Proposition 47 in future years. Proposition 36 established a treatment-mandated felony for drug possession that can be charged under specified circumstances. Proposition 47 monies may be used to fund court-ordered treatment programs to address the new treatment-mandated felony offense. Allowable uses may include expanding or enhancing court-ordered substance use disorder and/or mental health treatment, or providing case management and wraparound services that facilitate successful reintegration, including housing, employment support, and job training.

COMMUNITY CORRECTIONS PERFORMANCE INCENTIVE GRANT

The California Community Corrections Performance Incentive Act, Chapter 608, Statutes of 2009 (SB 678), was created to provide incentives for counties to reduce the number of felony probationers sent to state prison. Since inception, the program has allocated more than $1.5 billion to counties for their role in reducing prison admissions.

The Budget includes $127.9 million General Fund for the program. In recent years, annual funding was held constant due to the COVID-19 Pandemic's effect on probation populations, law enforcement practices, and court processes. Beginning in 2025-26, Chapter 111, Statutes of 2025 (SB 157) modified the formula to specify a fixed statewide annual allocation of $103.7 million General Fund, which will be reduced if counties exceed their baseline return-to-prison rates. The amount will be increased in a separate, variable component, if counties exceed performance expectations, calculated as an average of 2022 and 2023 performance.

DEPARTMENT OF JUSTICE

As the chief law officer of the state, the Attorney General has the responsibility to see that the laws of California are uniformly and adequately enforced. This responsibility is fulfilled through the diverse programs of the Department of Justice (DOJ). The Department provides litigation services on behalf of the people of California; serves as legal counsel to state agencies; provides oversight, enforcement, education, and regulation of California's firearms laws; provides evaluation and analysis of physical evidence; and supports the data needs of California's criminal justice community. The Budget includes total funding of approximately $1.3 billion, including $508 million General Fund, to support the DOJ.

FEDERAL ACCOUNTABILITY

The 2024 Budget Act included $25 million one-time General Fund to defend the state against enforcement and legal actions taken by the federal government, which is available through June 30, 2026. Of that amount, $6 million has been distributed to the DOJ and other state entities for litigation to defend California against federal actions.

Since January 2025, DOJ has filed 52 cases against the federal government to protect Californians' rights and interests, including the protection of federal funding that supports critical programs. This includes funding for California's Medicaid programs, $2 billion in National Institute of Health contracts and grants, hundreds of millions more in public health funding, and $200 million in education stabilization funding, among others.

The 2025 Budget Act included $14.2 million ($12.3 million General Fund and $1.9 million Unfair Competition Law Fund) in 2025-26 and $13.9 million ($12 million General Fund and $1.9 million Unfair Competition Law Fund) in 2026-27 and ongoing, and 44 positions for the DOJ to defend California against federal actions. This is in addition to baseline funding of $2.5 million General Fund within DOJ's budget to defend California against federal actions, which was first authorized in the 2018 Budget Act.

The DOJ is experiencing increased workload to, among other things, defend environmental protections, voting rights, birthright citizenship, reproductive choice, and labor standards, resulting in the need for additional funding beginning in the current year. Therefore, an additional $10 million will be distributed to the DOJ in 2025-26 from the one-time funds appropriated in the 2024 Budget Act. The Budget also includes $10 million new General Fund annually in 2026-27 through 2028-29. Funds previously authorized on an ongoing basis in the 2025 Budget Act will now be limited-term through 2028-29.

SIGNIFICANT BUDGET ADJUSTMENTS

- **Firearms IT Systems Modernization Project**—$11.2 million one-time General Fund in 2026-27 for DOJ to continue to work on the California Department of Technology's Project Approval Lifecycle process in 2026-27.
- **Dealers' Record of Sale Authority Alignment**—$8 million annual General Fund to maintain the current service level for activities funded by the Dealers' Record of Sale Special Account in 2026-27 through 2028-29.
- **Online and App-Based Illegal Gambling Enforcement**—$1.1 million Unfair Competition Law Fund and 3 positions in 2026-27 and ongoing to conduct investigations and litigation against illegal online and app-based gambling operations.

CALIFORNIA HIGHWAY PATROL

The California Highway Patrol (CHP) promotes safe, convenient, and efficient transportation of people and goods across the state highway system and provides the highest level of safety, service, and security to the facilities and employees of the State of California. For additional information on CHP investments included in the Budget, see the Transportation Chapter.

OFFICE OF EMERGENCY SERVICES

The Office of Emergency Services (Cal OES) serves as the state's leadership hub during all major emergencies and disasters. This includes responding, directing, and coordinating local, state, and federal resources, and mutual aid assets across all regions to support the diverse communities across the state. Cal OES also builds disaster resilience by supporting local jurisdictions and communities through planning and preparedness activities, training, and facilitating the immediate response to an emergency through the longer-term recovery phase. During this process, Cal OES serves as the state's overall coordinator and agent to secure federal government resources through the Federal Emergency Management Agency. The Budget includes $3 billion ($483.9 million General Fund) and 1,914 positions for Cal OES.

MAJOR ACCOMPLISHMENTS

Disasters in California have become more frequent and complex, often with simultaneous emergencies and disasters occurring across the state. Since 2019, the state has made significant investments in emergency response.

- **Strengthening Cal OES' Emergency Capacity and Capabilities**—$149.3 million ongoing General Fund for the following investments:
  - $16.5 million—Establishing a permanent and dedicated Incident Support Team, a deployable Incident Management Assistance Team, and permanent staff to operate California's State Operations Center to respond to all-hazard events, providing continuity for disaster response efforts.
  - $37.8 million—Increasing permanent resources for California's recovery efforts, including resources to maximize eligible federal disaster cost reimbursements for state and local governments, and to maximize the hazard mitigation program to mitigate the impacts of future disasters on the state and local jurisdictions.
  - $5.1 million—Strengthening the state's regional response capacity and key partnerships with local governments and other local stakeholders to increase disaster resilience capacity.
  - $5.2 million—Expanding the California State Warning Center to better analyze, monitor, coordinate, and inform decisionmakers on critical or emerging incidents and disasters.
  - $46.6 million—Implementing a statewide disaster warehousing system to increase commodity supplies and capacity for an all-hazard event, ensuring appropriate resources are available across the state for all emergencies.
  - $17.4 million—Establishing an Office of Equity and making permanent the Listos grant program to further strengthen connections and build resiliency between California's diverse communities.
  - $20.7 million—Modernizing Cal OES' technology and data capabilities to provide reliable data analytics for data-informed decisions related to the state emergency response and overall recovery strategy.
- **California Earthquake Early Warning System (CEEWS)**—$50.9 million one-time General Fund and $17.1 million General Fund and 3 positions ongoing to enhance the infrastructure of the CEEWS, governed by Cal OES through partnerships with the California Geological Survey, U.S. Geological Survey, University of California at

Berkeley, and the California Institute of Technology. In 2019, through the CEEWS investments, the free MyShake application, a cellphone based alerting tool, was launched and has since been downloaded more than 4.3 million times. Through a partnership initiated by California, an Android alert system has been created that leverages CEEWS to distribute earthquake early warning alerts to Android users. CEEWS also partners with critical sectors, including the Bay Area Rapid Transit (BART), Metrolink, school districts, hospitals, and fire stations to integrate automated actions to protect lives and property before, during, and after a seismic event.

Judicial Branch

The Judicial Branch consists of the Supreme Court, courts of appeal, trial courts, the Habeas Corpus Resource Center, and the Judicial Council. The Judicial Council is responsible for managing the resources of the Judicial Branch. The trial courts are funded with a combination of General Fund, county maintenance-of-effort requirements, fines, fees, and other charges. Other levels of the Judicial Branch receive most of their funding from the General Fund. The Budget includes total funding of $5.3 billion ($3.3 billion General Fund and $2 billion other funds) in 2026-27 for the Judicial Branch, of which $3 billion is provided to support trial court operations.

Major Accomplishments

Reducing Fines and Fees for All Californians

In prior decades, the state substantially increased fines, fees, assessments, and surcharges levied on individuals convicted of criminal offenses to generate funding for specific state and local programs and services. The Judicial Council estimated these fines and fees generated nearly $1 billion in revenue in 2020-21.

Recognizing the financial hardship these increased fines and fees have created for Californians, the Legislature and Administration worked to implement various statutory and budget changes. For example, the 2018 Budget Act included resources to implement an Ability-to-Pay program to allow indigent and low-income individuals to apply online to have their fines and fees from traffic infractions reduced in accordance with their ability to pay. The 2021 Budget Act expanded this program statewide and incorporated both traffic and non-traffic infractions. Furthermore, the 2020 and 2021 Budget Acts included resources and statutory changes to eliminate the ability of state and local agencies to impose certain administrative fees for criminal offenses, such as fees imposed to recover costs related to public defense and probation supervision and to collect restitution, among others. In continuation of these efforts to provide financial relief for individuals from the imposition of fines and fees, the 2022 Budget Act included statutory changes to reduce civil assessment fees from a maximum of $300 to $100 and included $67 million ongoing General Fund to backfill the resulting loss in revenue for trial courts.

Trial Court Investments to Expand Access to Justice

In recent years, the state has sought to expand access to justice with several key investments. Since 2019, the Administration has committed ongoing spending of $82.3 million General Fund to support the addition of 48 judgeships based on the Judicial Needs Assessments. Additional technology investments have been made to modernize court operations. These investments include the creation of the Judicial Branch Information Security Office to improve cyber security; modernization of the appellate and Supreme Court information technology systems, including updating electronic filing and case management systems to enable timely and accurate data collection; and enhancements to support remote access to courtroom proceedings by providing a publicly accessible audio stream in California trial courts.

The Administration has also made significant investments in the trial courts to support access to justice. Between the 2021 and 2025 Budget Acts, trial court operations have cumulatively received over $1 billion General Fund to promote fiscal equity among the trial courts and improve existing service levels. The Governor's Budget continues the Administration's commitment to expanding access to justice by investing an additional $70 million ongoing General Fund to support trial court operations.

Community Assistance, Recovery, and Empowerment (CARE Court)

Chapter 319, Statutes of 2022 (SB 1338), the Community Assistance, Recovery, and Empowerment Act (CARE Act), established a first-in-the-nation framework to empower individuals suffering from untreated schizophrenia and other psychotic disorders. It created CARE Court, a court process to provide individuals with clinically appropriate, community-based and court-ordered CARE Plans consisting of culturally and linguistically competent county mental health and substance use disorder treatment services. In total, the Judicial Branch received $29.5 million General Fund in 2023-24, $26.5 million in 2024-25, and $32.9 million in 2025-26 and ongoing for the CARE Act. In addition, the Budget included $17.4 million ongoing General Fund beginning in 2025-26 to support public defender and legal services organizations who provide legal counsel to CARE participants.

Significant Budget Adjustments

- **State Court Facilities and Construction Fund (SCFCF) Backfill**—$41 million General Fund in 2026-27 and $56 million General Fund in 2027-28 and ongoing to continue to backfill a projected shortfall in the SCFCF and to maintain existing service levels.
- **Orange County Central Justice Center Facility Modification**—$36 million General Fund in 2026-27 and $35 million General Fund in 2027-28 to complete the ongoing facility modification to provide Fire Life Safety upgrades at the Central Justice Center in Orange County.
- **Trial Court Employee Health Benefits**—$21.7 million General Fund in 2026-27 and ongoing for trial court employee health benefit and retirement costs. The state began consistently funding the increased retirement health benefit and retirement costs for the trial courts in 2014-15.
- **Court-Appointed Counsel**—$11 million General Fund in 2026-27 and ongoing to further increase the hourly rate of appointed counsel by $25 at the Supreme Court ($180 per hour) and Courts of Appeal (up to $165 per hour), which provides representation for indigent appellants. This is in addition to the $6.3 million ongoing General Fund in the 2025 Budget Act for the same purpose.
- **Continuation of Courts of Appeal Workload**—$5.2 million Appellate Court Trust Fund in 2026-27 and $4.9 million General Fund in 2027-28 and ongoing to continue to address the courts' existing workload, reduce backlogs, and prevent case delays in appellate districts.
- **Los Angeles Spring Street Courtrooms Relocation**—$4.6 million one-time General Fund in 2026-27 to support the relocation of 17 courtrooms and operations from the Spring Street Courthouse in Los Angeles, which is subject to divestment by the federal government.

LABOR AND WORKFORCE DEVELOPMENT

The Labor and Workforce Development Agency works to fulfill the Administration's commitment to supporting pathways to quality jobs and equity through workforce development strategies.

The Governor's Budget continues to make investments to upgrade and modernize information technology systems to improve the operation and employee experience for unemployment, paid family leave, and worker health and safety programs. Additionally, the Budget includes resources to support the streamlining of the Department of Industrial Relations' (DIR) Division of Occupational Safety and Health (Cal/OSHA) complaint intake and referral process and to address the backlog of cases and substantial growth of the Subsequent Injuries Benefits Trust Fund program.

WORKFORCE DEVELOPMENT

MAJOR ACCOMPLISHMENTS

The state has made significant investments in workforce training—with a particular focus on young people and those who face significant barriers to employment. Recent budgets have included $3.6 billion to expand workforce and training programs that lead to good jobs. In addition, education-related workforce investments have totaled $15.6 billion. Since 2019, Labor Agency departments have also allocated $2.3 billion in federal funding available through the Workforce Innovation and Opportunity (WIOA) and other federal grant programs to support these efforts.

These investments have created apprenticeships in key sectors, such as advanced manufacturing, utilities, and transportation; provided job training and other assistance to the justice-involved population, including justice-involved youth; and created more opportunities to support the development of a health and human services and education workforce representative of the state's diversity.

California has served 233,196 registered apprentices since 2019, is on track to meet the goal of serving 500,000 registered apprentices by 2029, and has already surpassed the goal of serving 500,000 participants through earn-and-learn programs.

SUPPORTING APPRENTICESHIPS AND WORKFORCE TRAINING

Below are recent investments that have supported apprenticeship programs and other workforce training opportunities:

- **Apprenticeship Innovation Fund**—A total of $95 million one-time General Fund over two years ($55 million in 2022-23 and $40 million in 2023-24) for the Division of Apprenticeship Standards within DIR for grants to help grow and scale new and existing registered apprenticeship programs to meet job market needs within high-demand sectors, such as technology, advanced manufacturing and healthcare. More than 29,000 registered apprentices have been trained through this program since 2022, with an additional 11,000 expected to be served in the 2025-26 fiscal year.
- **Support for Youth Entering the Workforce**—California has invested in education and workforce training programs to meet the needs of Opportunity Youth who are disconnected or at risk of becoming disconnected from systems such as education, employment, training, housing, and more. Programs include:
  - **California Opportunity Youth Apprenticeship Grants**—A total of $65 million General Fund over three years ($20 million in 2022-23 and 2023-24 and $25 million in 2024-25) for grants to develop and test innovative practices to increase the participation of Opportunity Youth in pre-apprenticeship and apprenticeship programs and demonstrate the impact of apprenticeship on employment and earnings outcomes for opportunity youth. These funds will enable grantees to serve approximately 3,300 participants in pre-apprenticeship and apprenticeship programs.
  - **Workforce Pathways for Youth**—$45 million in federal funds for grants administered by the Employment Development Department (EDD) to design and implement projects to empower young adults from underserved communities to

obtain high-quality, well-paying jobs that offer opportunities for advancement. Participants have access to certification programs, on-the-job training, work-based learning opportunities, personalized career planning, and mentorships. This program aims to serve approximately 4,600 participants and more than 1,400 participants have been enrolled to date.

- **Farmworker Advancement Program**—$20 million in WIOA funds for California-based organizations to create programs that will help more than 1,700 farmworkers adjust to the changing demands of the farming industry by offering essential skills and upskilling training to either advance in the agricultural industry or prepare for advancement outside of the agricultural sector. This program has served 1,316 workers to date.
- **High Road Training Partnerships**—Ranging from transportation to health care to hospitality, this model embodies a sector-based approach through the establishment of industry partnerships that deliver equity, sustainability, and job quality. Key examples include:
    - **Health Care**—A total of $120 million one-time General Fund over three years ($45 million in 2022-23, and 2023-24 and $30 million in 2024-25) has been invested in health care projects statewide. These projects will serve a projected 17,412 participants, helping them gain valuable skills and accreditation to secure well-paying jobs in health care fields.
    - **Oil Well Capping Pilot**—$20 million one-time General Fund included in the 2022 Budget Act has been allocated to support a partnership for on-the-job training in well capping in Kern and Los Angeles Counties.
- **Displaced Oil and Gas Workers**—$30 million one-time General Fund included in the 2022 Budget Act, of which $27.7 million has been awarded, for grants to organizations that will assist 1,725 workers impacted by California's gradual transition from oil and gas towards renewable energy. Awardees will guide displaced oil and gas industry workers into high-quality careers that offer economic stability and clear pathways for advancement. The program has served 424 individuals to date.

HEALTH CARE AND EDUCATION WORKFORCE INVESTMENTS

Since 2019, $17.5 billion ($2.9 billion General Fund, $14.4 billion Proposition 98 General Fund, and $174.2 million other funds) has been invested to create more opportunities to recruit, train, hire, and advance the health and human services and education workforce; support workforce planning; and enhance high-demand career pipelines. This includes:

- $1.9 billion ($1.7 billion General Fund and $174.2 million other funds) for initiatives within the Department of Health Care Access and Information, Department of Public Health, and Department of Health Care Services, with a focus on nursing, primary care, public health, and behavioral health workforce development. See the Health and Human Services Chapter for more information.
- $3.7 billion in Proposition 98 General Fund for programs operated by the California Community Colleges (CCCs), including the instructional component of apprenticeship and pre-apprenticeship programs and programs focusing on career technical education at the community colleges such as the CCC Strong Workforce Program.
- $2.3 billion in Proposition 98 General Fund for investments to support faculty and staff at the community colleges, including full-time faculty hiring, part-time faculty health insurance, and support for classified staff.
- $5 billion ($807.5 million General Fund and $4.2 billion Proposition 98 General Fund) for various programs to help recruit, retain, and train TK-12 educators.
- $4.3 billion in Proposition 98 General Fund for college and career pathway focused TK-12 programs, including the Golden State Pathways Program, Dual Enrollment, and various career technical education grant programs.
- $260 million one-time General Fund for Regional K-16 Collaboratives to support partnerships between public higher-education institutions and the workforces in their region.
- $122.7 million General Fund for various initiatives operated by the University of California and California State University systems, with a focus on medical, science, and technology education.

OTHER WORKFORCE INVESTMENTS

- **California Jobs First**—$450 million General Fund in total, allocated between 2021-22 to 2026-27, has been allocated for California Jobs First, which is jointly managed by the Governor's Office of Economic Development and the Labor and Workforce Development Agency. This initiative has produced the first statewide economic development strategy in 20 years, supported the development of 13 regional economic development strategies, driven investments into 260 early stage projects, and funded 11 ready-to-go projects that are expected to create upwards of 23,000 well-paying jobs. In addition, these funds are supporting broad agency coordination through the California Jobs First Council, with the goal of accelerating economic, business and workforce projects across the state, building capacity, and promoting efficiencies.

SIGNIFICANT BUDGET ADJUSTMENTS

- **Unemployment Insurance Trust Fund Loan Interest**—$662.2 million one-time General Fund to pay the annual interest payment on the state's Unemployment Insurance loan balance.
- **EDDNext**—$145.5 million ($60.9 million General Fund) one-time to continue the modernization of EDD through the implementation of EDDNext. The effort includes enhancements to EDD's benefits system—improving call centers, simplifying forms and notices, and data analysis tools to continue curbing fraudulent benefit claims.
- **Apprenticeship Training Grant Augmentation**—$18.2 million one-time Apprenticeship Training Contribution Fund in 2026-27, $18.1 million one-time in 2027-28, and $17.8 million one-time in 2028-29 and 2029-30 for DIR for grants to approved apprenticeship programs in construction and related trades.
- **Public Works Information Technology System**—$8.9 million one-time Labor and Workforce Development Fund for DIR to continue enhancements to the Public Works Information Technology System.
- **Public Employment Relations Board Chaptered Legislation**—$8.5 million General Fund and 30 positions in 2026-27, $9.3 million and 39 positions in 2027-28, and $2.3 million and 39 positions in 2028-29 and ongoing for the Public Employment Relations Board to implement the Transportation Network Company Drivers Labor Relations Act pursuant to Chapter 335, Statutes of 2025 (AB 1340) and to adjudicate National Labor Relations Board unfair practice charges and determinations of union elections and union certifications under specified circumstances pursuant to Chapter 139, Statutes of 2025 (AB 288).
- **Extreme Heat and Agricultural Enforcement Task Force and Outreach**—$7.7 million Occupational Safety and Health Fund in 2026-27, $7.1 million in 2027-28 and ongoing, and 34 permanent positions for DIR to continue targeted outreach and education for employers and workers and strategic enforcement efforts to protect workers from heat-related illnesses and wildfire smoke hazards.

- **Cal/OSHA Centralized Complaint and Report Intake Unit**—$5.9 million Occupational Safety and Health Fund in 2026-27, $5.3 million in 2027-28 and ongoing, and 35 permanent positions for DIR to create a centralized complaint and report intake unit within Cal/OSHA. The unit will enable Cal/OSHA to more efficiently respond to and address complaints, accident reports, referrals, and inquiries.

SUBSEQUENT INJURIES BENEFITS TRUST FUND

The Budget includes $12.7 million Workers' Compensation Administration Revolving Fund and 57 positions in 2026-27, growing to $36.5 million and 177 positions in 2030-31 and ongoing, for DIR to address the backlog of cases resulting from years of substantial growth in the Subsequent Injuries Benefits Trust Fund (SIBTF) program. The SIBTF program has expanded significantly beyond its original purpose due in part to recent court decisions that have expansively interpreted undefined terms in the 60-year-old statute, which has resulted in an increase in SIBTF claims and benefits that pose significant financial and operational challenges for SIBTF.

Without changes to the program, claim payments are expected to increase from $87 million in 2019-20 to $1.3 billion in 2029-30, and the impact to the associated employer assessment that funds the program is expected to grow from $112 million to $1.5 billion. Since 2015, the number of claims submitted each year has increased from approximately 1,000 to 5,400 cases. Without changes, the anticipated increase in claims in future years will lead to severe staffing challenges and long delays for workers. Comprehensive reform is needed to make this program viable and available for injured workers.

TRANSPORTATION

CALIFORNIA STATE TRANSPORTATION AGENCY

The California State Transportation Agency (CalSTA) is responsible for shaping California's transportation future, including the mobility, safety, equity, and environmental sustainability of the state's transportation system. CalSTA consists of the following eight entities working to advance a transportation system that delivers safety, equity, climate action, and economic prosperity for all Californians:

- Department of Transportation
- California Transportation Commission
- High-Speed Rail Authority
- Department of Motor Vehicles
- California Highway Patrol
- Board of Pilot Commissioners
- State Transit Assistance
- Office of Traffic Safety

MAJOR ACCOMPLISHMENTS

Since 2021, the largest one-time investments in transportation have been from a multi-year $14.6 billion transportation package. Although the package has been refined since it was first introduced in 2021, the Budget maintains the entirety of transportation package reflected in the 2025 Budget Act. The following describes the major accomplishments funded through the funding package.

TRANSIT AND INTERCITY RAIL CAPITAL PROGRAM

The Transit and Intercity Rail Capital Program (TIRCP) provides grants to fund transformative capital improvements that modernize California's intercity, commuter and urban rail systems, and bus and ferry transit systems to significantly reduce emissions of greenhouse gases, vehicle miles traveled, and congestion.

Since 2019, CalSTA has committed more than $9.5 billion through competitive and formula-based TIRCP investments. These investments are expanding service, increasing ridership, reducing congestion, and have eliminated an estimated 15.7 million metric tons of carbon dioxide from the state's air.

PORT AND FREIGHT INFRASTRUCTURE PROGRAM

The Port and Freight Infrastructure Program (PFIP) was established in 2022 with $1.2 billion to invest in port, freight, and goods movement infrastructure. Investments in the PFIP program improve the capacity, safety, efficiency, and resilience of goods movement to, from, and through California's ports while reducing greenhouse gas emissions and air pollution in communities historically burdened by freight corridors.

PFIP has funded 15 major projects that will modernize ports and freight corridors, cut more than 637,000 tons of greenhouse gas emissions annually, and create over 48,000 jobs. These investments are making California's supply chains safer, cleaner, and more resilient while delivering tangible economic benefits statewide.

ACTIVE TRANSPORTATION PROGRAM

In addition to nearly $300 million in annual funding, an additional $650 million was provided to the Active Transportation Program between 2021-22 and 2025-26 for projects that encourage increased use of active modes of transportation, such as walking and biking, and increase the safety and mobility of non-motorized users. These funds have supported over 240 projects that improve and increase walking and biking infrastructure across the state. Of these projects, 227 benefited disadvantaged communities, including 133 "safe routes to school" projects. Once completed, the projects will reduce vehicle miles traveled by 319 million miles, increase walk miles traveled by 648,000 miles, increase bike miles traveled by 499,000 miles, and reduce 89,000 metric tons of carbon dioxide from the air.

CLIMATE ADAPTATION PROGRAMS

Between 2021-22 and 2023-24, $400 million was provided to identify transportation-related climate vulnerabilities throughout the state and assist in developing and implementing projects to improve the transportation system's climate resiliency. Of the total funding, $200 million was dedicated to resilience projects within the State Highway Operation and Protections Program, and $200 million was awarded to local agencies for local adaptation plans and projects.

SAFETY GRADE SEPARATION PROJECTS

Through various programs, the state dedicated $350 million to support critical high-priority grade separation safety improvements throughout California. This funding supported 13 grade separation projects across the state. These improvements are expected to significantly reduce collisions and delays at grade crossings and create at least 23,000 jobs statewide.

DEPARTMENT OF TRANSPORTATION

The California Department of Transportation (Caltrans) traces its history back to the Bureau of Highways, which was created in 1895. Caltrans employs over 22,000 people statewide across 12 geographical districts, with an annual budget of approximately $18 billion, and forms the backbone of California's transportation network. Caltrans manages more than 50,000 lane-miles of roadway and over 13,000 state-owned bridges and other structures, inspects over 400 public- and special-use airports and heliports, and funds the largest state-supported rail system in the nation.

The largest sources of funding for transportation projects are excise taxes paid on fuel consumption, federal funds also derived from fuel taxes, and various vehicle-based fees. Caltrans invests billions annually to rehabilitate highways, public transit, intercity rail, and bridges; expand the electric vehicle charging network; and enhance goods movement while also improving safety, equity, climate action, and economic prosperity for all Californians.

MAJOR ACCOMPLISHMENTS

CLEAN CALIFORNIA

The Clean California program began in July 2021 with $1.2 billion in one-time funding as a transformative initiative to remove litter, create jobs, and beautify California. Since its implementation, along with clearing more than 3.4 million cubic yards of litter (the equivalent of nearly 136,000 garbage trucks), Clean California has also supported local art installations, new or ungraded recreational venues, and aesthetic improvements to shared public spaces.

The Clean California program also received an additional $25 million in the 2025 Budget Act to establish a new Clean California Community Cleanup and Employment Pathways Grant Program. This funding will provide matching grants to communities with a Clean California Community designation, with an emphasis on prioritizing grant proposals that integrate workforce development initiatives and target underserved and vulnerable populations.

CALIFORNIA HIGHWAY PATROL

The California Highway Patrol (CHP) promotes safe, convenient, and efficient transportation of people and goods across the state highway system and provides the highest level of safety, service, and security to the facilities and employees of the State of California.

MAJOR ACCOMPLISHMENTS

- **Hiring Initiative**—The "Join the CHP 1,000" campaign was a multi-year initiative beginning on June 9, 2022, by the CHP aimed at recruiting 1,000 new officers to address the need for law enforcement services in the state. This campaign was focused on attracting individuals from diverse communities to fill vacancies created during the COVID-19 Pandemic. A three-year augmentation of $2 million per year from the Motor Vehicle Account supported CHP recruitment efforts for the increased cost of advertising campaigns, expansion of the scope of recruitment efforts, and improved diversity and inclusiveness when advertising. The CHP met its recruitment goal and hired the 1,000th officer in November 2024.
- **Body-Worn Camera Statewide Implementation**—The CHP received budget augmentations of $9.8 million in 2023-24; $9.9 million in 2024-25; and $4.9 million in 2025-26 and ongoing and 11 positions to implement body-worn cameras statewide.

The CHP deployed more than 5,390 body-worn cameras to 6 of 8 divisions and will deploy approximately 600 devices to the remaining two divisions at the beginning of 2026.

- **Organized Retail Crimes Task Force**—Chapter 803, Statutes of 2018 (AB 1065) required the CHP to create a task force to enhance and improve California's response to organized retail crimes in the most heavily-impacted regions of the state. The 2019 and 2021 Budget Acts included one-time funding to create the new Organized Retail Crimes Task Force, and the 2022 Budget Act expanded the Task Force and made it permanent. Since its inception in 2019, the CHP has recovered $68.7 million in stolen property.
- **Highway Violence Task Force**—Prior budgets included a total of $15.5 million in one-time funding for the Highway Violence Task Force to address violent crimes occurring on state highways. The Governor's Budget proposes $885,000 and 7 permanent positions to analyze crime data and conduct criminal research in support of the Task Force.

SIGNIFICANT BUDGET ADJUSTMENTS

- **Equipment and Operating Costs**—A one-time augmentation of $44.4 million in 2026-27 from the Motor Vehicle Account for equipment and operating costs. This augmentation will provide funding for additional duty weapons, vehicles, and other various operational cost increases.
- **Security at State Capitol Swing Space and Annex Building**—A one-time augmentation of $6.9 million in 2026-27 from the Motor Vehicle Account to continue providing protection and security at the State Capitol swing space building.

DEPARTMENT OF MOTOR VEHICLES

The Department of Motor Vehicles (DMV) promotes driver safety by licensing drivers and protects consumers by issuing vehicle titles and regulating vehicle sales. The DMV provides driver licenses and identification cards to over 34 million customers and provides registration services for nearly 36 million vehicles.

DMV also collects approximately $15 billion in annual revenue on behalf of the state, which supports cities and counties, Caltrans, and the Motor Vehicle Account, which is the primary fund that supports the operations of DMV and the CHP, as well as supporting other departments.

MAJOR ACCOMPLISHMENTS

Since 2019, DMV has undertaken a comprehensive modernization effort to improve customer service, reduce wait times, expand digital transactions, strengthen identity protection, and replace aging legacy systems. These efforts are supported by major investments in digital platforms, mobile credentials, call center modernization, and national verification systems, positioning California as a national leader in secure, modern, digital government services.

DIGITAL SERVICE EXPANSION AND MODERNIZATION EFFORTS

- More than 90 percent of DMV transactions are now available online, reducing in-person visits and wait times across major metropolitan field offices.
- Since 2019, the DMV has reduced field office workload from approximately 2.1 million transactions per month to 1.5 million by adding online service options including virtual field transactions (215,000/month), online driver license (DL) knowledge tests, and commercial driver license renewals.
- Policy simplifications have strengthened DMV's contact center operations and allowed for the continued consolidation of the Department's micro call centers. This work is empowering frontline staff to resolve more issues at first contact.
- The deployment of the Digital eXperience Platform (DXP) to replace decades-old legacy systems for driver licensing, vehicle registration, cashiering, occupational licensing, and customer flow is continuing. This will allow the department to enable faster updates, more automation, and improved reliability.
- DMV introduced a redesigned DL/ID card with modernized physical and digital security features for more than 31 million cardholders, strengthening identity protection.
- DMV implemented a new digital Driver Handbook, saving approximately $1.5 million annually in printing costs.

REAL ID AND DIGITAL CREDENTIAL LEADERSHIP

- DMV has issued more than 21.2 million unique REAL ID cards since 2018, including processing nearly one million applications in the six months leading up to the May 7, 2025, enforcement date.
- DMV expanded the mobile driver's license (mDL) pilot to nearly 3 million mobile devices, making it one of the largest in the nation; California's mDL is now

REAL ID-compliant, with usage at all airport Transportation Security Administration locations and select state agencies.

- DMV advanced a blockchain-enabled digital vehicle title transfer pilot, improving the security, speed, and traceability of title verification transactions and laying the groundwork for future nationwide title transfer interoperability.

ROAD SAFETY ENHANCEMENTS

- In partnership with the CHP, DMV implemented streamlined processes to ensure drivers cited for traveling over 100 mph are rapidly referred to DMV Driver Safety for review, strengthening public safety.

IMPROVED ACCESS FOR VULNERABLE POPULATIONS

- Since 2019, DMV has issued approximately 835,000 no-fee ID cards to individuals experiencing homelessness, increasing access to essential services, benefits, and employment.
- DMV also implemented a digital and physical Instant ID for disaster assistance and unhoused populations to receive just-in-time proof of identity and enable public entities to provide public benefits in reduced timeframes.

SIGNIFICANT BUDGET ADJUSTMENTS

- **Digital eXperience Platform (DXP) Project**—The Budget includes $94.1 million Motor Vehicle Account in 2026-27 to continue a multi-year incremental technology project to ensure continuity of the Occupational Licensing, Disabled Persons Placard, Vehicle Registration, Control Cashiering and Inventory Management, and to start the Driver Licensing Phase of the DXP Project. The DXP Project will replace the current obsolete legacy applications and systems with flexible technology to meet business processes and services, including compliance with legislation and other mandates.
- **State To State (S2S) Verification System Project**—The Budget includes $56 million Motor Vehicle Account to continue compliance with the federal Real ID Act of 2005 by implementing the S2S Program. The estimated costs include $25 million in information technology project resources and temporary help resources equivalent to 98.4 positions in 2026-27 and 118.7 positions in 2027-28 for increased workload. California's compliance date for S2S is February 16, 2027, and the core DMV systems

will interface and connect the required driver license and identification card data elements.

- **San Francisco Field Office Lease Project**—The Budget includes $9.8 million Motor Vehicle Account to enter into a lease for the San Francisco Field Office while the current state-owned field office is closed and redeveloped for housing. The estimated costs include one-time and ongoing costs for 2026-27 through 2029-30.

MOTOR VEHICLE ACCOUNT

The Motor Vehicle Account (MVA) is the main operating fund for the CHP and the DMV, providing $3.1 billion and $1.5 billion in 2026-27, respectively. It also funds the California Air Resources Board's (CARB) Mobile Source Program and provides smaller amounts of funding for a myriad of other departments. The Budget currently projects that the MVA will be insolvent as soon as 2028-29.

Given the ongoing fiscal constraints in the MVA, the Administration will continue to limit new workload or initiatives, including those with delayed implementation dates that would create additional cost pressures over time.

SIGNIFICANT BUDGET ADJUSTMENT

- **Transfer from the Greenhouse Gas Reduction Fund (GGRF) and Air Pollution Control Fund (APCF)**—The 2025 Budget Act authorized a total transfer of $166 million ($81 million from the GGRF and $85 million from the APCF) to offset expenditures of CARB and support the MVA's solvency. The Governor's Budget projects the MVA will be solvent in 2025-26 and 2026-27 even without the transfer, and proposes canceling this transfer. See the Climate Change Chapter for more information on the use of funds from the transfer.

HIGH-SPEED RAIL AUTHORITY

The California High-Speed Rail Authority (Authority) is responsible for planning, designing, building, and operating a high-speed rail system that will fundamentally transform how people move around California. The project will contribute to economic development and a cleaner environment, create jobs, and preserve agricultural and protected lands.

MAJOR ACCOMPLISHMENTS

California's high-speed rail project has obtained full environmental clearance from San Francisco to Los Angeles. Construction progress on the 119-mile Central Valley Segment portion of the project includes:

- More than 99 percent of parcels delivered
- 90 percent of utilities relocated (1,634 out of 1,826)
- 67 percent of guideway completed (80 of 119 miles)
- 63 percent of structures built (58 of 92)

The project's impact includes creating over 109,000 job-years, generating $8 billion in labor income and contributing $22 billion in total economic output for the state. Of the $13 billion invested, 97 percent has gone directly to California firms and workers.

The project continues to advance statewide, and the Authority has supported completion of the more than 50 miles of electrification on Caltrain's corridor between San Jose and San Francisco, which is necessary for future high-speed rail service.

SIGNIFICANT BUDGET ADJUSTMENT

- **Cap-and-Invest**—The Budget incorporates the new statutory allocations of Cap-and-Invest auction proceeds, with $1 billion annually through 2045 allocated to the Authority, which provides more certainty for planning and scheduling. See the Climate Change Chapter for more information.

STATE TRANSIT ASSISTANCE

The State Transit Assistance (STA) program provides a share of revenues from diesel sales taxes and the Transportation Improvement Fee, as well as the sale of Cap-and-Invest credits, providing essential operating and capital support to transit agencies and regional planning organizations across California. The State Controller distributes these revenues based on a statutory allocation formula.

MAJOR ACCOMPLISHMENTS

Since 2019, more than $4.6 billion in funding has been collected and disbursed from the STA program. This funding has been used by transit agencies to fund operations and capital projects. Regional agencies have also used this funding for administration and regional planning.

In addition to the baseline STA program, and as noted above, transit agencies have also received additional state resources through formula-based TIRCP grants for local transit capital infrastructure, zero emission vehicle projects, and to address operational shortfalls, as authorized by Chapter 54, Statutes of 2023 (SB 125). This funding supported transit agencies statewide, as many operators have struggled to regain ridership to pre-pandemic levels.

SIGNIFICANT BUDGET ADJUSTMENT

- **Bay Area Transit Loan**—Pursuant to Control Section 91.00 of the 2025 Budget Act, the Budget proposes statutory changes to authorize the Metropolitan Transportation Commission (MTC) to provide short-term loans to transit agencies facing cash flow challenges, preserving essential services for Bay Area riders.

GENERAL GOVERNMENT AND STATEWIDE ISSUES

This chapter describes items in the Governor's Budget that are statewide issues or related to various departments.

GOVERNMENT OPERATIONS AND EFFICIENCIES

The Administration continues to prioritize efforts to improve government services, streamline internal processes, and invest in state operations that promote equity and enhance services for California residents. Major achievements under this Administration include, but are not limited to, the following efforts.

MAJOR ACCOMPLISHMENTS

- **Civil Service Improvements**—The Administration is committed to developing and maintaining an effective, efficient, and engaged workforce in state government. From 2019-20 to 2025-26, $44.6 million ($33.3 million General Fund) was appropriated to support continued efforts in enhancing the state’s recruitment system, outreach and education, statewide learning and development, human resources development, and technology modernization and security. These efforts uphold the state’s principles and practices of merit, respect, dignity, and equity in the workforce; expand the state’s ability to reach California’s diverse communities; eliminate bias and protect privacy in the hiring process; and reduce data privacy and cybersecurity risks on services provided to agencies, departments, and all future candidates seeking civil service employment with the State of California.

Additionally, the Administration continues to make significant civil service improvements through hiring reforms and class consolidations, allowing departments to find and quickly hire the best candidates through a fair and merit-based process. These efforts not only streamline processes, saving the state thousands of hours of staff time, but also improve the state's ability to recruit, hire, and retain the best qualified job candidates. Particularly, the California Department of Human Resources (CalHR) removed unnecessary hiring barriers for seven classification series, which impacted over 37,260 positions across health, transportation, public safety, labor, and public service fields. For instance, the recent changes to the peace officer job requirements remove unnecessary job barriers across 90 classifications, impacting over 26,000 positions. CalHR also completed the consolidation of three classifications, which impacted 32,900 positions. Most notably, the generalist class consolidation was approved in August 2025, which reduced 67 classifications to 8 and impacted over 32,000 positions.

- **Chief Equity Officer**—The Governor appointed the state's first Chief Equity Officer for leadership as it relates to state operations, procurement, information technology and human resources. Achievements include collaborating with various departments to develop and implement plain-language standards and training, establishing standards for improved data collection practices, improving hiring practices, and supporting guidance and best practices in language access and other efforts that advance equity.
- **Government Efficiencies**—Pursuant to the 2021 Budget Act, the Administration implemented a goal of a 5-percent expenditure reduction across all state departments. Ultimately, the state realized actual savings of $229 million ($45 million General Fund) across all budgeted office equipment and expenditures. By working with state agencies and departments, the Administration identified additional efficiencies pursuant to the 2025 Budget Act.
- **Office of Data and Innovation (ODI)**—The Administration established the ODI in 2019-20 to lead innovation efforts statewide using a human centered design approach for program, process, and digital service design. The state has successfully implemented projects to make the delivery of government services more efficient, including the following:

- **Using data to streamline housing development**—Developed in coordination with the California Housing and Community Development Department, the Optimized Data Tool for Housing Compliance project delivered a modern housing-production analytics tool processing data from more than 500 jurisdictions.
- **Using data to forecast drought in community water outages**—ODI worked with the California Division of Drinking Water to improve a model that forecasts which water systems will be affected by drought. This will allow communities to fix problems before they happen.
- **Unlocking state hiring insights**—ODI worked with CalHR to make it easier to retrieve data from a key hiring system. The Administration built a modern data pipeline to give staff self-service access to data. With ODI's help, what would have been a years-long improvement process took just four months.

SIGNIFICANT BUDGET ADJUSTMENTS

- **Vacant Positions Funding Reduction and Elimination of Positions**—The Budget implements efficiencies across state government included in the 2025 Budget Act by proposing to eliminate 6,002 vacant positions beginning in 2025-26, and the associated expenditure authority totaling $478.1 million ($182.3 million General Fund) in 2025-26, and $487.1 million ($191.3 million General Fund) in 2026-27, and ongoing.
- **State Operations Ongoing Reductions**—The Budget implements efficiencies included in the 2025 Budget Act by reducing state operations expenditures by up to 7.95 percent across all state funds totaling $1.55 billion ($1.2 billion General Fund) in 2025-26, and $1.56 billion ($1.18 billion General Fund) in 2026-27, and ongoing.
- **California Education Learning Lab**—The Budget transfers the California Education Learning Lab (Learning Lab) from the Governor's Office of Land Use and Climate Innovation to the Government Operations Agency (GovOps). Specifically, the Budget proposes $4 million General Fund in 2026-27, and ongoing, and one position, as well as statutory changes to reinstate the Learning Lab, eliminated by the 2025 Budget Act. As the state continues to advance improved coordination and collaboration of initiatives and resources through the Master Plan for Career Education and drive public sector innovation to leverage technology to better serve Californians, this transfer will support GovOps collaboration and coordination on the goals of the Learning Lab.

- **Office of Civil Rights (OCR)**—The Budget includes $3.6 million General Fund in 2026-27, and $2.8 million General Fund in 2027-28, and ongoing, to establish the OCR within GovOps. The OCR will provide educational resources, training, and technical assistance to local educational agencies to prevent and address discrimination and bias within California's TK-12 education system.
- **Scaling the State's Innovation Capacity**—The Budget includes five positions and $1.3 million in reimbursement authority to the Data and Innovation Services Revolving Fund to scale the state's design, development, data, and digital service capabilities. Establishing a team with digital services and solution capacity to build the Information Technology solutions defined by the Innovation Lab's pre-procurement process generates efficiencies, streamlines government, and has the potential to reduce state costs.

TECHNOLOGY MODERNIZATION

The Administration is committed to creating a government that is modern, effective, and provides exceptional service to all Californians through expanded efforts to improve state technology, providing Californians access to essential services, strengthening the state's cybersecurity posture, and creating efficiencies for departments and residents alike. The following demonstrates the state's accomplishments toward these goals.

MAJOR ACCOMPLISHMENTS

- **Broadband for All**—The state has invested $5.9 billion to increase broadband infrastructure, access, and affordability—a critical step towards bringing communities together and improving educational outcomes. This includes $3.9 billion General Fund for the California Department of Technology (CDT) for the Middle Mile Broadband Initiative (MMBI) and $2 billion Federal Funding Account (FFA) for the California Public Utilities Commission (CPUC) Last Mile Program. In addition, the state plans to invest $1.9 billion federal funds for the Broadband Equity, Access, and Deployment (BEAD) Program administered by the CPUC. CDT continues work on the MMBI, including efforts to host Tribal Broadband Bootcamps to spread information and awareness on how Indigenous communities can support their local networks. To date, the Middle Mile Broadband Network (MMBN) has completed construction on more than 3,200 miles of the roughly 5,000 permitted miles of the planned 8,137 total miles of fiber optic cables.

CDT anticipates the first segments of the MMBN will be operational and ready to connect to FFA grant awardees starting in the second half of calendar year 2026. Network operability will allow for revenue generation and self-sustainability.

- **Generative Artificial Intelligence (GenAI)**—Led by GovOps, CDT, ODI, the Department of General Services, and CalHR, the Administration successfully developed guidelines and processes for the use and deployment of GenAI technology by state departments. The processes include the implementation of the Project Delivery Lifecycle for Information Technology Projects that propose the use of GenAI. The collective efforts of these departments establish a deliberate and responsible process for utilizing this emerging technology.
- **Cradle-to-Career (C2C) Data System**—After years of intensive work on legal, technical, and governance issues, the Administration, through the C2C Data System, achieved a significant milestone by delivering the Student Pathways dashboard and Query Builder. These tools allow for a clearer understanding of educational outcomes, including insights into equity gaps among student populations by analyzing data on factors such as race, gender, foster youth status, homelessness, and more. C2C was implemented in 2025, and continues to develop enhancements, such as career passports and sourcing additional informative data sets, to generate further valuable insights.
- **Digital Identity (Digital ID)**—Since 2021, CDT has developed and expanded digital access to state benefits through the Digital ID Framework, making it easier for millions of California residents to access state programs, benefits, and discounts by providing a secure verification platform and reducing costs for state and local government entities. From 2021-22 through 2026-27, approximately $1 million General Fund has been allocated to CDT to support the program's development. CDT is currently assessing how to launch this Digital ID as a full-scale service, providing California residents with online access to transit, the Supplemental Nutrition Assistance Program, veterans-related benefits, and other services.
- **Cal-Secure**—In 2021, CDT released Cal-Secure, the state's first five-year cybersecurity maturity roadmap for the Executive Branch. Developed collaboratively with the California Cybersecurity Integration Center (Cal-CSIC) and its four key partners: the California Governor’s Office of Emergency Services, the California Highway Patrol, CDT, and the California Military Department, as well as the state government security community, the roadmap is based on industry-leading best practices and frameworks. It addresses critical gaps in the state’s information and cybersecurity programs and aims to outline the capabilities the state must attain in a prioritized manner. The goal is to establish a world-class

cybersecurity workforce within California's Executive Branch, a well-structured and empowered cybersecurity oversight governance, and an effective defense for all technology, including critical infrastructure. Since 2019-20, the Administration has invested over $1 billion ($713 million General Fund) to enhance cybersecurity across state government. This investment has resulted in the Executive Branch Agencies and Departments reaching over 80 percent completion on all four Cal-Secure capability priorities, exceeding the minimum baseline set by the State Chief Information Security Officer.

- **Government Innovation Projects**—The Administration established a technology modernization and stabilization program within CDT for a limited duration and provided $42.2 million one-time General Fund aimed at funding and implementing small technology improvements within departments to improve operational efficiency and ensure the stability of information technology systems. This investment has funded the modernization of 21 IT systems across 16 state entities, delivering measurable improvements that have generated cost savings and efficiency gains for the state.
- **Enterprise Data to Revenue 2 (EDR2)**—The Franchise Tax Board's EDR2 information technology project, which began development in 2021-22, will be complete by the end of 2026-27. The EDR2 project replaces the Board's aging Audit, Legal, Filing Enforcement, and Underpayment systems, thereby safeguarding over $4 billion per year in compliance-related tax revenue for the state. During EDR2 implementation, efficiencies such as improved modeling and enforcement tools have generated additional tax revenue estimated at approximately $2 billion to $2.5 billion. Ongoing benefits in the form of additional tax revenue are expected.

SIGNIFICANT BUDGET ADJUSTMENTS

- **MMBI Encumbrance Extension**—Extends the encumbrance period for $550 million General Fund allocated to CDT in the 2022 Budget Act for 2023-24 and 2024-25, until December 31, 2028, to allow CDT to continue to pay staff salaries and provide flexibility in contracting to complete the MMBN.
- **EDR2**—$60 million General Fund and 14 positions in 2026-27, $24 million General Fund and 19 positions in 2027-28, and $17.6 million General Fund ongoing for the Franchise Tax Board to complete the EDR2 information technology project. EDR2, which began development in 2021-22, replaces the Board's aging Audit, Legal, Filing Enforcement, and Underpayment systems.

- **Digital ID**—$1 million General Fund in 2026-27 that was appropriated to CDT in the 2025 Budget Act to continue project development and support for emergency Digital ID integration. An additional $3.1 million Technology Services Revolving Fund is proposed to expand the Digital ID as a service.
- **Cal-CSIC: Artificial Intelligence**—Limited-term funding of $408,000 General Fund in 2026-27, and $286,000 General Fund in 2027-28, for the Office of Information Security at CDT to assist in Cal-CSIC's California AI Cybersecurity Playbook development, further strengthening the state's preparedness to respond to emerging AI cyberthreats.

TAX RELIEF

MAJOR ACCOMPLISHMENTS

- **California Earned Income Tax Credit (CalEITC) and Young Child Tax Credit (YCTC)**—The state expanded CalEITC from $400 million in 2019 to over $1 billion beginning in 2020, which included the creation of the YCTC, expanded access to otherwise eligible filers with an Individual Taxpayer Identification Number (ITIN) in 2020, and the establishment of the Foster Youth Tax Credit in 2022. In 2024, over 3.5 million CalEITCs were issued for a total value of more than $1.4 billion. Of this amount, 413,000 taxpayers claimed the YCTC for a total value of nearly $430 million. In addition, about 5,700 California Foster Youth Tax Credits were issued for a total value of approximately $6.1 million. Through November 2025, $8.8 billion has been paid to Californians over the lifetime of these programs.
- **Middle Class Tax Refund Payments**—The state issued $9.2 billion in Middle Class Tax Refund payments in 2022 and 2023. Nearly 17 million payments between $200 and $1,050 benefitted 32 million taxpayers and their dependents. Payments were issued to households with incomes up to $250,000 for single filers and up to $500,000 for joint filers.
- **Golden State Stimulus (GSS) I and II Payments**—GSS I and II payments in 2021 and 2022 provided a combined $8.8 billion in COVID-19 relief payments to lower-income households. The state issued 4.6 million GSS I payments between $600 and $1,200 to households that qualified for the CalEITC or that filed tax returns with an ITIN. An additional 8.3 million GSS II payments between $500 and $1,100 were issued to households that did not qualify for GSS I and had adjusted gross incomes up to $75,000.

GOVERNOR'S OFFICE OF SERVICE AND COMMUNITY ENGAGEMENT

The Governor's Office of Service and Community Engagement (GO-Serve) was created on July 1, 2024, and consists of the Office of Community Partnerships and Strategic Communications, California Volunteers, and the Youth Empowerment Commission (YEC). GO-Serve elevates paid service and volunteerism, promotes youth and community engagement, and advances public awareness and outreach campaigns to tackle our state's most pressing challenges.

The YEC is funded through June 30, 2030, and has been provided with $1.5 million General Fund annually since 2024-25 to advise and make recommendations on various legislative and fiscal issues affecting youth. The YEC has held a series of statewide listening sessions to ensure that young Californians' voices shape the future of service.

MAJOR ACCOMPLISHMENTS

COLLEGE CORPS CREATION AND EXPANSION

#CaliforniansForAll College Corps was created in partnership with the University of California (UC), California State University (CSU), California Community Colleges, and private, non-profit California university systems to support debt-free college pathways for low-income students. The 2021 Budget Act included $146.3 million one-time ($127.5 million Coronavirus State Fiscal Recovery Funds and $18.8 million General Fund) to pilot the program, which supported two cohorts of 3,250 students in 2022-23 and 2023-24.

Subsequent budgets expanded the program, providing overall funding of $78.1 million General Fund in 2024-25, $68.1 million in 2025-26, and $83.6 million in 2026-27 and ongoing. These resources have expanded service opportunities to more than 4,000 undergraduate students annually, and facilitate partnerships with over 47 universities, including CSU and UC campuses, community colleges, and private universities. The program was also expanded to establish an alumni and workforce development program to support employment pathways for College Corps fellows.

Since inception, College Corps has provided 126 grants worth $234.3 million to support 13,319 students.

California Volunteers recently launched a California Men's Service Challenge, calling on 10,000 men to mentor, coach, serve and lead their communities. This initiative is in response to rising suicide rates, social disconnection, and declining college attendance among men, and intended to address the mental health crisis while creating new pathways to purpose, leadership and belonging.

California Volunteers has also coordinated volunteers and deployed California Service Corps members to support local food banks throughout the COVID-19 Pandemic, during wildfires and other natural disasters, and most recently during the federal shutdown where food benefits were temporarily paused or compromised for California's most vulnerable populations.

Governor's Office of Business and Economic Development

The Governor's Office of Business and Economic Development (GO-Biz) serves as the state's lead entity for economic strategy on issues relating to business development, private sector investment, economic growth, export promotion, permit assistance, innovation, and entrepreneurship. The Budget continues the state's commitment to support business and maintain investments in recent years.

Since 2019, GO-Biz has administered various programs promoting inclusive economic growth in California by taking a leadership role with the Jobs First Council to advance economic growth across California, awarding grants to businesses and startups, providing capital access and financing to small businesses, and investing in underserved communities.

Major Accomplishments

- **Driving Historic, Regionally-Led Economic Growth Through the California Jobs First Initiative**—$450 million General Fund from 2021-22 to 2026-27, jointly managed by GO-Biz and the California Labor and Workforce Development Agency, that has produced the first statewide economic development strategy in 20 years, supported the development of 13 regional economic development strategies, driven investments into 260 early stage projects, and funded 11 ready-to-go projects that are expected to create upwards of 23,000 jobs. In addition, these funds support broad agency coordination through the California Jobs First Council with the goal of accelerating economic, business and workforce projects across the state, building capacity, and promoting efficiencies.

- **Supporting Small Business and Nonprofit Resilience and Helping Entrepreneurs Thrive**—Over $4.8 billion General Fund to the California Office of the Small Business Advocate (CalOSBA) since January 2019 to fund 15 one-time and ongoing programs to support California's 4.3 million small businesses and the state's vibrant nonprofit ecosystem. Programs include:
  - **Technical Assistance Program (TAP) and Capital Infusion Program (CIP)**—$23 million General Fund annually beginning in 2023-24 to permanently fund the statewide TAP, along with $3 million General Fund to fund the CIP for California's five Small Business Development Center regional leads. This network of technical assistance centers provides free or low-cost one-on-one, confidential advising and training to help small businesses and entrepreneurs to start, scale and succeed. In 2024-25, TAP funding supported 118 technical assistance centers serving more than 112,000 small business clients. Since the inception of the pilot Technical Assistance Expansion Program in 2018-19, the programs have supported over 853,000 small business clients, including more than 17,600 business starts. These businesses created over 105,000 jobs, secured more than $4 billion in equity, were awarded more than $9.1 billion in new contracts, and received more than $3.1 billion in loans and financing.
  - **Accelerate California Program Expansion**—$20 million one-time General Fund in 2022-23 to expand the number of Inclusive Innovation Hubs to align with the 13 regions of the California Jobs First Economic Blueprint. Accelerate California Hubs provide technical assistance, physical space, subject matter expertise, and access to capital and other resources to foster a more diverse pool of founders in a wide range of industries. Since the launch of the expanded network in 2023-24, the Hubs supported over 33,000 small businesses and start-ups, which created more than 3,200 jobs. Businesses incubated within the Hubs also filed 128 separate patents and secured nearly $380 million in equity. In 2025, GO-Biz approved the first 39 Innovation Grants for entrepreneurs nominated through the Hubs, totaling almost $2.2 million in commercialization support.
  - **California Regional Initiative for Social Enterprises (CA RISE)**—$25 million one-time General Fund in 2022-23 and $17 million one-time General Fund in 2024-25 to create the nation's first statewide capital and capacity-building investment in employment social enterprises. In 2024-25, GO-Biz provided grants and technical assistance programming to 61 employment social enterprises supporting 13,800 full-time jobs for individuals facing employment barriers to entry such as homelessness, previous incarceration, or addiction.

- **Small Business COVID-19 Relief Grant Program**—$500,000 in one-time funding in 2020-21 and an additional $3.9 billion one-time General Fund in 2021-22 to provide small businesses and nonprofits impacted by the pandemic with grants ranging between $5,000 to $25,000. In total, GO-Biz awarded $3.7 billion in grants to over 330,000 businesses across the state.

- **Driving Economic Growth and Spurring Job Creation through the California Competes Program**—Over $1.4 billion General Fund since January 2019 to 248 businesses through the California Competes Tax Credit program (CalCompetes) in exchange for their commitment to make over $35.2 billion in capital investments and create over 69,000 new, full-time jobs in California. Additionally, $333.2 million General Fund between 2021-22 and 2023-24 for the CalCompetes Grant program, which awarded grants to 23 businesses in exchange for their commitment to make over $6.5 billion in capital investments and create more than 18,500 new, full-time jobs in California.
- **Retaining and Growing the World's Preeminent Creative Workforce with California's Newly Expanded Film and Television Tax Credit Program**—The 2025 Budget Act expanded the Film and Television Tax Credit Program to $750 million General Fund annually from 2025-26 through 2029-30. The expanded program will help California remain the top U.S. production location by retaining and increasing production jobs in the state while supporting an inclusive workforce. The latest program iteration builds upon a strong track record of success. Prior productions have generated more than $30.7 billion in economic output and supported the employment of more than 230,000 cast and crew members, along with 2 million background players, measured in days worked.
- **Providing Financial Assistance, Supporting Infrastructure Development and Helping Small, Emerging and Inclusive Businesses Access Capital through the California Infrastructure and Economic Development Bank (IBank)**—
    - $20 million one-time General Fund in 2021-22 for IBank programs focused on providing micro-loans to nearly 2,400 businesses recovering from the economic impacts of the pandemic.
    - $25 million one-time General Fund in 2024-25 to recapitalize the California Infrastructure Revolving Fund. This program provides financing for local government infrastructure projects, including flood mitigation, water conservation, and protecting and preserving the California coastline. Since 2019, with this recapitalization, combined with its original General Fund investments in

1998 and 1999 totaling $162 million, IBank has issued over $350 million in loans in support of 23 projects.

Significant Budget Adjustments

- **California Export Promotion Program**—$1.3 million General Fund in 2026-27 and ongoing to support international trade and to provide export promotion services.
- **Innovation and Emerging Technologies**—$400,000 General Fund in 2026-27 and ongoing to engage and grow emerging business sectors such as artificial intelligence, quantum, and cloud/data platforms, among others, by facilitating relationships between the private sector and R1 universities, national laboratories, and federal funding opportunities.

Creation of the Business and Consumer Services Agency

Beginning July 1, 2026, the new Business and Consumer Services Agency will foster an equitable and inclusive California by licensing and regulating over four million professionals and businesses and protecting consumers. The Agency will strengthen the state's ability to protect consumers by providing dedicated leadership and oversight across a wide range of industries. This Agency will focus on best practices for licensing, enforcement, education, and professional conduct across its member departments. The Agency will also modernize operations, making license issuance and renewal, and other services more efficient for consumers and licensees. The Agency will oversee the following entities:

- Department of Alcoholic Beverage Control
- Alcoholic Beverage Control Appeals Board
- Department of Cannabis Control
- Cannabis Control Appeals Panel
- Department of Consumer Affairs
- Department of Financial Protection and Innovation
- California Horse Racing Board
- Department of Real Estate

CANNABIS

The Department of Cannabis Control (DCC) was created on July 1, 2021, by consolidating the Bureau of Cannabis Control within the Department of Consumer Affairs, along with programs from the California Department of Food and Agriculture and the Department of Public Health. This consolidation simplified participation in the legal market by reducing the number of regulatory entities that businesses, local governments, and others are required to engage with, supporting the safe and successful operation of cannabis businesses in compliance with state law. DCC licenses and regulates commercial cannabis activity to protect public health, safety, the environment, and local communities throughout the state.

MAJOR ACCOMPLISHMENTS

- **Strengthening and Modernizing Licensing and Compliance Systems**—The state has transformed a fragmented regulatory landscape into a functioning statewide system. Since 2021, DCC has issued more than 3,800 new active licenses, converted over 6,100 provisional licenses to annual status, and reduced provisional licenses from 76 percent to under 1 percent of all active licenses, an important step toward greater market stability. More than 13,700 inspections, 43,000 complaint reviews, 138 revocations, 262 suspensions, and 155 product recalls underscore a commitment to consumer safety. Modernization efforts, including consolidating licensing systems, deliver cost savings and a more reliable, accessible regulatory structure.
- **Supporting the Cannabis Economy**—The state has continued to facilitate the scale and growth of California's legal market while increasing consumer access and confidence. Since July 2021, California has seen more than $20.7 billion in retail sales. DCC has continued to support an increase in local jurisdiction participation with local commercial cannabis activity growing 22 percent since 2019, and access to regulated cannabis expanding to almost 70 percent of California's population. To further support responsible expansion, DCC has awarded a combined $103 million through the Cannabis Local Jurisdiction Retail Access Grant and Local Jurisdiction Assistance Grant programs to 32 cities and counties, providing funding to help communities establish legal pathways that support consumer safety and the displacement of the illicit market.
- **Advanced Equity and Legacy Communities**—The state has expanded economic opportunity in a sector long shaped by disproportionate enforcement through directly supporting 22 local equity programs and more than 2,250 equity licenses.

DCC has provided over $30 million in direct capital back to Equity Entrepreneurs through licensing fee waivers and fee deferrals. DCC conducts extensive business interviews and site visits to ensure equity programs as well as department operations and policies consider and reflect the needs and experience of the communities they serve.

- **Protected Public Safety and Fair Competition Through Increased Enforcement**—DCC and California's Unified Cannabis Enforcement Taskforce have made significant strides in addressing illegal market activity, executing over 1,600 search warrants, seizing more than 2 million pounds of illicit cannabis, $3.8 billion in illegal products, nearly $25 million in cash, and removing 707 firearms and 889 individuals engaged in criminal activity. DCC and the Taskforce have participated in more than 350 multi-agency search warrants, strengthening statewide enforcement against the illegal market. Expanded enforcement through additional sworn positions, broader authority to enforce against illegal hemp, and stronger legal and enforcement staffing reinforces the state's commitment to protecting consumers, supporting licensed businesses, and holding bad actors accountable.
- **Cannabis Tax Reform**—Cannabis sales have been subject to additional taxation since 2018, with revenues funding state administration and regulatory costs; academic research; youth education, prevention, early intervention, and treatment; environmental protection; and public safety-related activities. Cannabis tax reform efforts are geared towards removing administrative burdens and costs, thereby reducing barriers to entry into the legal, regulated cannabis market. Significant tax reforms in recent years include:
  - Suspension of the cannabis cultivation tax and modification of cannabis excise tax remittance to the point of sale.
  - Tax credits for high-road commercial cannabis businesses of up to $250,000 per business per year, and for cannabis equity operators of up to $10,000 per business per year, available for tax years 2023 through 2027.
  - Additional tax credit for equity cannabis retailers who meet specified criteria for an equity fee waiver to retain 20 percent of the excise tax they collect until December 31, 2025. More than $8 million was retained by equity retailers under this program.
  - Temporary reduction to the excise tax rate, from 19 percent to 15 percent of cannabis retailers' gross receipts, effective October 1, 2025, through June 30, 2028, which aligns with the tax rate that was effective until June 30, 2025. Reducing the tax rate helps to provide the legal industry an equitable chance to

compete against the untaxed and unregulated illegal market by allowing legal businesses to remain competitive and promote the industry's long-term growth.

Significant Budget Adjustments

- **Hemp Enforcement and Regulation**—$7.3 million ($5.6 million Cannabis Control Fund and $1.7 million Cannabis Tax Fund) in 2026-27 and $5 million ($4.1 million Cannabis Control Fund and $852,000 Cannabis Tax Fund) in 2027-28 and ongoing to integrate hemp into the cannabis regulatory framework, as required by Chapter 248, Statutes of 2025 (AB 8). Additionally, $3.3 million ($2.8 million Cannabis Tax Fund and $500,000 Cigarette and Tobacco Products Compliance Fund) in 2026-27, and $2.6 million Cannabis Tax Fund and $700,000 Cigarette and Tobacco Compliance Fund ongoing, is proposed for the Department of Tax and Fee Administration to support AB 8 enforcement activities.
- **Enforcement and Legal Affairs Workload**—$7.6 million ($1.2 million Cannabis Control Fund and $6.4 million Cannabis Tax Fund) in 2026-27 and $6 million ($2.1 million Cannabis Control Fund and $3.9 million Cannabis Tax Fund) in 2027-28 and ongoing to support a dedicated sworn officer presence in Northern California to strengthen enforcement efforts against the illegal cannabis market, and to meet the DCC's growing legal workload related to licensing, compliance, legislation, and public records.
- **Cannabis System Integration Project**—$7.2 million Cannabis Control Fund to begin the consolidation of two cannabis systems into one single system to improve data collection and streamline services for cannabis consumers and licensees.

Updated Allocation of Cannabis Tax Fund

Proposition 64 specifies the allocation of resources in the Cannabis Tax Fund, which are continuously appropriated. Pursuant to Proposition 64, expenditures are prioritized for regulatory and administrative workload necessary to implement, administer, and enforce the Cannabis Act, which is considered Allocation 1. Following this, resources are allocated to research and activities related to the legalization of cannabis and the past effects of its criminalization, which is Allocation 2. Once these priorities have been met, the remaining funds are directed to what are referred to as Allocation 3 programs—youth education, prevention, early intervention, and treatment; environmental protection; and public safety-related activities.

The Budget estimates $403.9 million will be available for Allocation 3 programs in 2026-27 as follows:

- **Education, Prevention, and Treatment of Youth Substance Use Disorders and School Retention**—60 percent ($242.3 million)
- **Clean-up, Remediation, and Enforcement of Environmental Impacts Created by Illegal Cannabis Cultivation**—20 percent ($80.8 million)
- **Public Safety-related Activities**—20 percent ($80.8 million)

The Budget includes a one-time shift of $11.5 million in 2026-27, within the youth, education, prevention, early intervention, and treatment account, from the California Natural Resources Agency to the Department of Social Services (DSS). Historically, the Agency has received funding from cannabis tax revenues to administer competitive grants for youth programs that support access to natural and cultural resources. This one-time shift to DSS will be invested in child care infrastructure, specifically targeted toward communities impacted by recent fires.

Department of Financial Protection and Innovation

The Department of Financial Protection and Innovation (DFPI) was created on July 1, 2020, to expand the former Department of Business Oversight's authority and capacity to protect consumers and foster the responsible development of new financial products. The California Consumer Financial Protection Law expanded the Department's oversight over current and emerging abusive acts and practices that cause consumers' financial harm. The Department's Division of Consumer Financial Protection promotes consumer-focused research and outreach, and the Office of Financial Technology Innovation studies emerging technologies in financial services, including virtual currencies, to engage with California companies developing new financial products and services. The Department's Division of Corporations and Financial Institutions (CFI) provides safety and oversight of California chartered banks, credit unions, money transmitters, financing lenders, and escrow and mortgage lenders through regular examinations, risk monitoring, and supervision. CFI's oversight helps protect depositors and supports a stable environment for responsible innovation. DFPI serves as California's financial services regulator, responsible for licensing and overseeing traditional and emerging financial industries, enforcing consumer financial protection laws, and monitoring the rapidly evolving marketplace including fintech, digital financial assets, and digital consumer products.

Major Accomplishments

- **Implementation of the California Consumer Financial Protection Law (CCFPL)**—In 2021, DFPI began conducting market research and soliciting stakeholder feedback to assess whether previously unregulated industries should be subject to greater oversight through rulemaking and registration under the CCFPL. New regulations went into effect in 2025 to require registration of four types of products and services: income-based advances, debt settlement, student debt relief, and private postsecondary education financing.
- **Creation of the Digital Financial Assets Law**—The Digital Financial Assets Law was enacted to create a clear and comprehensive approach to regulating digital financial assets, with stronger consumer and investor protections to prevent fraud and ensure bad actors are held accountable. Providers of digital financial assets will be required to apply for a license with DFPI by July 1, 2026.

Significant Budget Adjustments

- **Continuation of CCFPL Funding**—$15.3 million Financial Protection Fund annually through 2029-30 to continue implementing Chapter 157, Statutes of 2020 (AB 1864), which expanded DFPI's authority to oversee financial products and services previously not regulated by the department. These resources will sustain existing positions that are critical to support programs under the CCFPL, including the Consumer Financial Protection Program, the Office of Financial Technology Innovation, enforcement and legal efforts, and the Office of the Ombuds.
- **Continuation of Debt Collector Licensing and Regulation Funding**—$13.5 million Financial Protection Fund annually through 2029-30 to continue implementing Chapter 163, Statutes of 2020 (SB 908), the Debt Collection Licensing Act, which requires DFPI to license, regulate, and examine debt collectors. These resources support existing positions across the department, including the Debt Collector Program, which reviews license applications and performs routine and targeted examinations of debt collectors and debt buyers operating in California.

California Privacy Protection Agency

In 2020, California voters approved Proposition 24, the California Privacy Rights Act, creating the California Privacy Protection Agency (CPPA) and amending the California Consumer Privacy Act of 2018 (CCPA) by adding consumer privacy rights and obligations for businesses. CPPA is tasked with implementing and enforcing the CCPA, which is aimed at protecting the use of personal information and the promotion of public awareness and understanding of the risks, rules, and rights related to the collection, use, sale, and disclosure of personal information, including the rights of minors. CPPA also implements and enforces the Delete Act, which requires it to host the state's Data Broker Registry and establish an accessible deletion mechanism through which California consumers can direct registered data brokers to delete their non-exempt personal information.

Major Accomplishments

- **Nation's First Dedicated Privacy Enforcement Agency**—The establishment of CPPA in 2020 strengthens the state's ability to ensure consumers are informed of their rights, businesses understand their obligations, and privacy laws are enforced, including necessary legal or regulatory remedies for noncompliance or violations of Californians' privacy rights. CPPA assumed enforcement authority over the CCPA on July 1, 2023, and in 2025, secured its largest settlement to date ($1.4 million) for violations of the law. In November 2025, CPPA issued regulations for automated decision technology, risk assessments, cybersecurity audits, and privacy compliance for insurance companies, which will help bolster consumer data protection.
- **Delete Act and Delete Request and Opt-out Platform (DROP)**—In partnership with the California Department of Technology, CPPA developed DROP, which launched January 1, 2026. The platform allows Californians to delete their personal information from registered data brokers in a single step. Data brokers will be required to process deletion requests within 45 days starting August 1, 2026.

Significant Budget Adjustment

- **Enforcement Resources**—The Budget includes $1.6 million (split across the Data Brokers' Registry Fund and the Consumer Privacy Fund) in 2026-27 and $1.5 million in 2027-28 and ongoing to address increased consumer complaints and open investigations related to CCPA violations, and to begin enforcing the California Delete Act, which is expected to increase CPPA's enforcement workload.

Department of Food and Agriculture

California leads the nation in agricultural production with nearly 63,000 farms and ranches generating approximately $61.2 billion in annual sales. Farmers and ranchers play a key role in food security for Californians, the nation, and the world. The state leads national production both in variety and abundance, with over 400 different crops, some exclusive to California, making up nearly half of the vegetables and over three quarters of the fruits and nuts grown in the United States. The California Department of Food and Agriculture (CDFA) works diligently to safeguard this critical resource and support a resilient food system that is globally recognized for innovation, quality, and sustainability.

MAJOR ACCOMPLISHMENTS

Since 2019, the state has made strategic investments to enhance climate smart agricultural practices, combat diseases and pests that threaten California agriculture, and increase access to locally grown foods for California school children.

- **Sustainable and Climate Smart Agriculture**—Building on California's leadership in reducing greenhouse gas emissions and protecting California's food system and natural spaces from climate impacts, the state has invested $590 million ($312 million General Fund) since 2019 to advance climate smart agricultural practices resulting in the reduction of approximately 27.7 million metric tons of carbon dioxide equivalent (CO2e). This includes $167 million invested in the Healthy Soils Program for 1,500 on-farm projects sequestering an estimated 1.1 million metric tons of CO2e over the lifetime of the projects.
- **Invasive Pest Response**—In 2023 and 2024, California addressed the largest invasive fruit fly response in state history. This swift, comprehensive action was achieved by leveraging $132 million one-time ($47 million General Fund) in addition to other resources. National and international markets remained open based upon the effective integrated resource management approach of increased trapping, rapid response mating disruption treatments, fruit stripping, and release of over 440 million sterile insects.
- **Animal and Human Health Emergency Infrastructure**—When bird flu was first detected in dairy cows in early 2024, it marked a troubling evolution of an already devastating animal disease in the poultry sector. CDFA immediately began working with experts throughout the state to develop a comprehensive response plan and robust screening tools. The state invested $6.1 million ongoing General Fund to expand diagnostic and epidemiology capacity at CDFA and $108 million one-time ($7 million General Fund and $101 million Public Building Construction Fund) to build a state-of-the-art veterinary laboratory to support future response efforts. These

investments are critical to protect California's food supply and human health by strengthening California's capacity to respond to future disease outbreaks.

- **Farm to School**—Since its inception in 2020, the state has invested over $100 million General Fund to transform the California school food system through the Farm to School Incubator Grant Program, develop the California Farm to School Roadmap for Success, and support this work with dedicated experts in each region. In just five years, this program has grown to reach 49 percent of all California schoolchildren with projects that provide access to local, climate smart, and nutritious foods as well as lifelong nutrition and agricultural education. This program has also supported small-scale and historically underserved producers—ensuring that they have the technical and physical infrastructure to access the school purchasing system.

Significant Budget Adjustment

- **Farm to School**—An increase of $24.6 million General Fund in 2026-27 ($25.2 million ongoing) and statutory changes to provide ongoing funding for the Farm to School supply chain. The Farm to School Incubator Grant program increases the number of California schools offering children access to local, climate smart, and nutritious food, as well as nutrition educational programs. Additionally, this proposal supports farmers in the adoption of climate smart agricultural practices and market development to ensure they can access their local farm to school programs.

Employee Compensation and Collective Bargaining

The Budget includes $260.7 million ($116.9 million General Fund) in 2026-27 for increased employee compensation and health care costs for active state employees. Included in these costs are collectively bargained salary and benefit increases resulting from contract negotiations and funding for 2027 calendar year projected increases in health care and dental premiums and enrollment.

Collective bargaining negotiations will commence with 9 bargaining units represented by the Service Employees International Union, whose contracts or side letter agreements will expire in summer 2026.

Paying Down Unfunded Retirement Liabilities

Major Accomplishments

Over the last decade, the state implemented significant measures to address its retirement liabilities through public pension law reform, implementation of funding strategies to pay down unfunded pension and retiree health benefits, and the allocation of billions of dollars in supplemental funding beyond the required annual contributions to the California Public Employees' Retirement System (CalPERS), and California State Teachers' Retirement System (CalSTRS).

The Administration remains committed to the security of state retiree benefits and the long-term sustainability of state pension systems. Notably, the state contributed a total of $15.4 billion, between fiscal years 2019-20 and 2025-26, to supplement the state's payments toward unfunded retirement liabilities, and an additional $11.8 billion in Proposition 2 (2014) debt repayment funding is estimated to be available for the next four fiscal years. In 2026-27, the Budget reflects $3 billion in available Proposition 2 funding, including a $2.5 billion supplemental pension payment to help reduce CalPERS state plans' unfunded liabilities.

Significant Budget Adjustments

- **CalPERS Contributions**—$9.8 billion ($5.3 billion General Fund) for the state's contribution to CalPERS. This is an increase of $741.9 million ($356.1 million General Fund) from 2025-26. Included in the total contributions is $731 million one-time General Fund for CSU retirement costs.
- **CalSTRS Contributions**—$4.8 billion General Fund for state contributions to CalSTRS. This is roughly $144 million more than the contributions in 2025-26, due mainly to the growth in creditable compensation for state teachers from 2023-24 to 2024-25.

The State Retirement and Health Care Contributions figure below provides a historical overview of pension and health care benefit contributions to CalPERS, CalSTRS, the Judges' Retirement System (JRS), the Judges' Retirement System II (JRS II), and the Legislators' Retirement System (LRS).

State Retirement and Health Care Contributions [1/ 2/ 3/]
(Dollars in Millions)

	CalPERS	CSU CalPERS	CalSTRS	JRS	JRS II	LRS[5/]	Active Health & Dental[6/]	Retiree Health & Dental	CSU Retiree Health	Employer OPEB Prefunding[7/]
2017-18	$5,188	$661	$2,790	$199	$80	$1	$3,192	$1,695	$285	$189
2018-19	5,506	683	3,082	194	84	1	3,255	1,759	313	394
2019-20	5,946	716	3,323	242	91	1	3,371	1,844	326	562
2020-21	4,925	680	3,428 [4/]	225	84	1	3,398	1,938	339	600
2021-22	5,363	677	3,862	194	91	1	3,501	2,019	356	1,292 [8/]
2022-23	7,475	744	3,712	208	86	1	3,731	2,208	392	735
2023-24	7,728	744	3,939	211	89	0	4,139	2,417	428	711
2024-25	6,325	609	4,257	217	92	0	4,574	2,577	454	663
2025-26	8,700	731	4,632	181	95	1	4,986	2,861	539	32
2026-27[9/]	9,021	731	4,776	211	105	0	5,433	3,188	602	0

1/ The chart does not include contributions for the University of California pension or retiree health care costs.

2/ The chart does not reflect the following pension payments: $6 billion supplemental payment to CalPERS in 2017-18 authorized by Chapter 50, Statutes of 2017 (SB 84), additional payments to CalPERS and CalSTRS authorized in Chapter 33, Statutes of 2019 (SB 90), Chapter 859, Statutes of 2019 (AB 118), Chapter 78, Statutes of 2021 (AB 138), Chapter 67, Statutes of 2022 (SB 191), Chapter 39, Statues of 2023 (AB 130), Chapter 52, Statues of 2024 (AB 171), and Proposition 2 payments to CalPERS proposed in the 2026-27 Governor's Budget.

3/ In addition to the Executive Branch, this chart includes Judicial and Legislative Branch employees. Contributions for judges and elected officials are included in JRS, JRS II, and LRS. Amounts displayed in the CalPERS column include statewide contributions to the five CalPERS state plans, including contributions from employers that are not displayed in the annual Budget Act.

4/ As part of the 2020 Budget Act, the Teachers' Retirement Board's statutory authority to adjust the state contribution rate for fiscal year 2020-21 was suspended. The amount shown excludes the additional $297 million in supplemental pension payment from Proposition 2 debt payment funding authorized in the 2021 Budget Act.

5/ In 2023-24, no state employer contributions to the Legislators' Retirement System are included as the fund was in a surplus position due to the termination of all active members. In 2024-25, a one-time contribution of $75,085 was required due to negative impacts of investment losses and cost of living adjustments to the fund. In 2025-26, a one-time contribution of $493,000 was required due to the fund still being below 100 percent funded, primariliy due to higher than expected cost of living adjustments.

6/ These amounts include health, dental, and vision contributions for employees within state civil service, the Judicial and Legislative Branches, and the California State University (CSU).

7/ Amount reflects the employer contribution to pay down the Other Post-Employment Benefits (OPEB) unfunded liability. The 2025-26 and 2026-27 employer contributions reflects suspension in OPEB contribution pursuant to labor agreements reached in 2025.

8/ Amount includes $616 million to help ensure full funding by 2046, which is provided by the employer on behalf of the employees, based on the actuarial liability for each bargaining unit, as employee prefunding contributions were suspended in 2020-21 due to the Personal Leave Program 2020.

9/ Estimated as of the 2026-27 Governor's Budget, contributions sourced from the General Fund are estimated to be $4.5 billion for CalPERS, $731 million for CSU CalPERS, $2.7 billion for Active Health and Dental, and $32 million for OPEB Prefunding. Fiscal year 2026-27 contributions to CalSTRS, JRS, JRS II, and Retiree Health & Dental (including CSU) are funded entirely by the General Fund.

INFRASTRUCTURE

California has made significant commitments to modernizing and expanding its infrastructure, transforming the state into a model of innovation, sustainability, and economic opportunity. By prioritizing large-scale, forward-thinking investments, California has not only addressed the infrastructure needs of today but has also laid the groundwork for future generations.

MAJOR ACCOMPLISHMENTS

Key achievements in the state's infrastructure development since 2019 include the successful completion of new and renovated facilities supporting the state's diverse programmatic needs. These include:

- Seven new courthouse buildings, including the Tani Cantil-Sakauye Sacramento Courthouse, and two courthouse renovations, to support access to justice,
- Numerous county adult jails and juvenile facilities statewide, to improve public safety by effectively managing criminal justice populations,
- Various projects related to health care facility improvements, medical distribution capacity expansion, and mechanical system upgrades at correctional facilities statewide, to address various facility deficiencies and to bolster delivery of care,
- The new Dos Rios State Park in San Joaquin County, to expand access to parks in underserved communities,

- Five new fire stations and one new helitack base for the Department of Forestry and Fire Protection (CAL FIRE), for support of fire protection and resource-management efforts statewide,
- A new California Air Resources Board Southern California Headquarters campus, known as the Mary D. Nichols Campus, to support the state's climate initiatives, and
- Three new and three renovated state office buildings in the Sacramento Region, including the restoration of the historic Jesse Unruh building, which houses the California State Treasurer's Office, to address structural and functional deficiencies.

In addition, numerous impactful infrastructure projects are underway, including:

- A new Educational and Vocational Center at San Quentin Rehabilitation Center in Marin County,
- Ten new courthouses throughout the state,
- Over 40 projects for CAL FIRE, including new construction and renovations of fire stations, air attack and helitack bases and unit headquarter facilities,
- A new Emergency Operations Center in Southern California for the Governor's Office of Emergency Services,
- Twelve California Highway Patrol Area Office Replacements statewide,
- A new Athletic Complex at the Riverside School for the Deaf and Blind in Riverside County,
- A new Skilled Nursing Facility at the Yountville Veterans Home in Napa County, and
- New laboratory facilities for the California Animal Health and Food Safety Program for the Department of Food and Agriculture in Tulare County.

In addition to advancing state capital projects, the Administration has also taken steps to accelerate critical infrastructure projects that deliver broad public benefits—such as clean energy, water reliability, housing, and climate resilience—through the streamlining of the California Environmental Quality Act (CEQA), while maintaining strong environmental and public review standards. By expediting court timelines for select CEQA challenges, judicial streamlining reduces uncertainty and delays that can disproportionately impact communities waiting for essential infrastructure and services.

California's infrastructure accomplishments reflect its commitment to meeting the needs of its diverse population while ensuring economic vitality, environmental sustainability, and enhanced quality of life for all Californians. Through bold investments and strategic planning, the state has successfully positioned itself as a leader in infrastructure development, creating lasting benefits for future generations.

CRITICAL STATE INFRASTRUCTURE

The California Infrastructure Planning Act (Act), pursuant to Chapter 606, Statutes of 1999, requires the Governor to submit a five-year infrastructure plan to the Legislature for consideration with the annual budget bill. This chapter, along with other information on the Department of Finance website (www.dof.ca.gov), fulfills the requirements of the Act. The 2026 Five-Year Infrastructure Plan (Plan) focuses on meeting core state responsibilities with limited available resources.

The Plan includes approximately $58.5 billion in state infrastructure investments over the next five years. In consideration of the current fiscal outlook, the Plan addresses only the most critical investments in capital assets that support core state functions, including fire and life safety and/or court-ordered projects.

See the Infrastructure Plan—Proposed Spending figure for a summary of the proposed funding by program area and the Statewide Capital Funding by Department and Fund Source figure for a summary of the proposed funding by year, department, and fund source. Appendix 1, which includes a detailed listing of the specific projects proposed to be funded, can be found on the Department of Finance website.

Infrastructure Plan—Proposed Spending

(Dollars in Thousands)

Capital Expenditures: Program Area	Five-Year Capital Funding
Transportation	$51,260,821
Judicial Branch	2,744,235
Natural Resources	1,978,927
Education	1,183,660
Health and Human Services	719,269
General Government	507,845
Corrections and Rehabilitation	78,493
Total	**$58,473,250**

Statewide Capital Funding by Department and Fund Source
(Dollars in Thousands)

Program Area	2026-27	2027-28	2028-29	2029-30	2030-31	Total
Judicial Branch						
Judicial Branch	374,171	1,598,857	663,923	100,856	6,428	2,744,235
Subtotal	**$374,171**	**$1,598,857**	**$663,923**	**$100,856**	**$6,428**	**$2,744,235**
Transportation						
Department of Transportation	9,287,773	8,727,367	9,214,867	9,297,867	9,333,867	45,861,741
High-Speed Rail Authority	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000
Department of the California Highway Patrol	2,282	55,694	13,000	19,700	176,160	266,836
Department of Motor Vehicles	21,185	500	13,004	32,011	65,544	132,244
Subtotal	**$10,311,240**	**$9,783,561**	**$10,240,871**	**$10,349,578**	**$10,575,571**	**$51,260,821**
Natural Resources						
Tahoe Conservancy	8,400	0	4,653	0	8,000	21,053
Department of Forestry and Fire Protection	294,561	472,752	649,937	236,203	24,185	1,677,638
Department of Fish and Wildlife	0	350	0	0	0	350
Department of Parks and Recreation	11,033	39,968	6,950	88,710	0	146,661
Department of Water Resources	133,225	0	0	0	0	133,225
Subtotal	**$447,219**	**$513,070**	**$661,540**	**$324,913**	**$32,185**	**$1,978,927**
Health and Human Services						
Department of Developmental Services	0	6,251	199,469	471	740	206,931
Department of State Hospitals	9,026	125,087	69,850	158,466	149,909	512,338
Subtotal	**$9,026**	**$131,338**	**$269,319**	**$158,937**	**$150,649**	**$719,269**
Corrections and Rehabilitation						
Department of Corrections and Rehabilitation	9,210	17,976	13,374	18,045	19,888	78,493
Subtotal	**$9,210**	**$17,976**	**$13,374**	**$18,045**	**$19,888**	**$78,493**
Education						
Department of Education	14,710	58,240	0	2,202	0	75,152
California Community Colleges	736,889	0	371,619	0	0	1,108,508
Subtotal	**$751,599**	**$58,240**	**$371,619**	**$2,202**	**$0**	**$1,183,660**
General Government						
Franchise Tax Board	0	1,793	1,793	19,798	0	23,384
Department of General Services	0	22,400	141,050	3,049	36,070	202,569
California Military Department	0	2,950	3,500	3,500	58,600	68,550
Department of Veterans Affairs	209,342	0	0	0	0	209,342
Infrastructure Planning	0	1,000	1,000	1,000	1,000	4,000
Subtotal	**$209,342**	**$28,143**	**$147,343**	**$27,347**	**$95,670**	**$507,845**
Statewide Total	**$12,111,807**	**$12,131,185**	**$12,367,989**	**$10,981,878**	**$10,880,391**	**$58,473,250**
Proposed, By Fund						
General Fund	138,293	339,212	383,492	247,046	80,407	1,188,450
Special Fund	4,156,200	4,008,615	4,147,707	4,175,967	4,194,967	20,683,456
Public Buildings Construction Fund/ Non-Governmental Cost Funds	589,552	2,024,788	1,392,208	431,265	416,167	4,853,980
General Obligation Bond Funds	229,248	950	700	700	41,950	273,548
Federal Funds	5,622,500	5,247,100	5,567,610	5,626,900	5,642,570	27,706,680
Reimbursements/Other Governmental Cost Funds	1,376,014	510,520	876,272	500,000	504,330	3,767,136
Statewide Total	**$12,111,807**	**$12,131,185**	**$12,367,989**	**$10,981,878**	**$10,880,391**	**$58,473,250**

JUDICIAL BRANCH

The Judicial Branch consists of the Supreme Court, Courts of Appeal, and trial courts. The Supreme Court is located in the Civic Center Plaza in San Francisco, the Ronald Reagan State Office Building in Los Angeles, and has office space in San Diego. The Courts of Appeal are organized into six districts and operate in nine different locations. The trial courts occupy 430 facilities and provide 2,200 courtrooms in 58 counties statewide. The facilities of the Supreme Court, Courts of Appeal, and trial courts encompass not only the public courtroom spaces but also the chambers and workspaces where judicial officers and courtroom staff prepare for proceedings; secure areas, including holding cells; and building support functions.

The Judicial Branch also consists of the Judicial Council, which has administrative facilities located in San Francisco and Sacramento, and the Habeas Corpus Resource Center located in San Francisco.

The Plan includes $2.7 billion ($120.1 million General Fund and $2.6 billion Public Buildings Construction Fund) over the next five years for fourteen Judicial Branch projects.

The Budget proposes $350.9 million ($30.6 million General Fund and $320.3 million Public Buildings Construction Fund) to build new courthouses for San Luis Obispo in San Luis Obispo County, Nevada City in Nevada County, and Quincy in Plumas County. In addition, three courtrooms will be added for Stockton in San Joaquin County, Hanford in Kings County, and Yuba City in Sutter County to accommodate new judgeships, and a courthouse for Chatsworth in Los Angeles County will be expanded to accommodate courthouse operations that will transfer from a leased facility in Los Angeles. Of these projects, six are continuing and Chatsworth is the only new project.

TRANSPORTATION

The Budget maintains the entirety of the one-time transportation investments included in the 2025 Budget Act, totaling $14.6 billion as follows:

- $7.6 billion for high-priority transit and rail infrastructure projects that will improve rail and transit connectivity between state and local/regional services that are designed to provide options to opt-out of traffic congestion and reduce greenhouse gas emissions. A portion of these funds can also be used to support transit operations.

- $4.2 billion Proposition 1A for the High-Speed Rail Authority to continue building the 119-mile Central Valley Segment from Madera to just north of Bakersfield.
- $1.2 billion for projects that improve goods movement on rail and roadways at port terminals, including railyard expansions, new bridges, and zero-emission modernization projects.
- $1.1 billion for Active Transportation Program projects and climate adaptation projects.
- $410 million for the Zero Emission Transit Capital Program.
- $150 million for grade separation projects that support critical safety improvements and expedite the movement of traffic and rail by separating the vehicle roadway from the rail tracks.

For additional information on transportation investments included in the Governor's Budget, see the Transportation Chapter.

HIGH-SPEED RAIL AUTHORITY

The California High-Speed Rail Authority (Authority) is headquartered in Sacramento, with regional offices in San Jose, Fresno, and Los Angeles. The Authority has made significant progress on the 119-mile Central Valley Segment and reports that 95 percent of structures are either built or in progress, and more than 99 percent of right-of-way parcels have been successfully delivered to the contractors.

In addition, milestones are being achieved on other components of the high-speed train project, including complete environmental clearance on all segments between San Francisco and Los Angeles.

The Plan includes $5 billion Greenhouse Gas Reduction Fund (GGRF) over the next five years for the High-Speed Rail project. With the passage of SB 840 (Ch. 121, Stats 2025), the Authority is provided $1 billion per year through 2045 from the GGRF.

CALIFORNIA HIGHWAY PATROL

The California Highway Patrol (CHP) operates nearly 500 facilities statewide, including 8 field division offices, 102 area offices, 24 dispatch/communications centers, 39 commercial vehicle inspection facilities and platform scales, 8 air operations facilities, 34 resident posts, 267 remote telecommunication sites, a training academy, and various administrative facilities. These facilities support the CHP's mission to provide the highest level of safety, service, and security to the people of California.

The Plan includes $266.8 million ($111.5 million General Fund and $155.4 million Public Buildings Construction Fund) over the next five years for five new area office replacement projects and one towers and vaults replacement project statewide.

The Budget proposes $2.3 million General Fund for Statewide - Planning and Site Identification funding to enable CHP to take initial steps to address structural and functional deficiencies in facilities statewide, and for the design phases of the Sawtooth Ridge site of the CHP Enhanced Radio System - Replace Towers and Vaults project.

DEPARTMENT OF MOTOR VEHICLES

The Department of Motor Vehicles (DMV) operates 234 facilities statewide. Many offices contain multiple programs, including vehicle/vessel identification and compliance, driver license and personal identification, driver safety, occupational licensing, and investigation. These facilities support the DMV's mission to serve the public by licensing drivers, registering vehicles, securing identities, and regulating the motor vehicle industry in pursuit of public safety.

The Plan includes $132.2 million ($49.6 million General Fund and $82.6 million Public Buildings Construction Fund) over the next five years for various facility replacement projects and Statewide - Planning and Site Identification funding. These projects will address structural and functional deficiencies in facilities statewide.

The Budget proposes $21.2 million Public Buildings Construction Fund for the construction phase of the Oxnard Field Office Reconfiguration project.

CALIFORNIA TAHOE CONSERVANCY

The California Tahoe Conservancy manages programs to help protect Lake Tahoe's water quality and conserve wildlife habitat, watershed areas, and public access on the California side of the Lake Tahoe Basin. The Conservancy is a primary implementer of the State of California's responsibilities under the Environmental Improvement Program (EIP) for the Lake Tahoe Basin—a 1997 agreement between California, Nevada, the Tahoe Regional Planning Agency, the federal government, local governments, and various private entities. The EIP is updated periodically to include more refined estimates of projects, modifications in the scope of identified projects, and new projects.

The Plan includes $21.1 million ($12.9 million General Obligation bond funds and $8.2 million other funds) over the next five years for the Van Sickle Bi-State Park Safety and Equitable Access Improvements project, Greenway Shared Use Trail Phase III project, opportunity acquisitions, and study and planning funds for possible future projects.

The Budget proposes $8.4 million ($3.9 million General Obligation bond funds and $4.5 million other funds) for the initial phases of these projects.

DEPARTMENT OF FORESTRY AND FIRE PROTECTION

The Department of Forestry and Fire Protection (CAL FIRE) operates and manages more than 640 facilities and other assets statewide. These include 242 fire stations, 13 air attack bases, 11 helitack bases, 25 conservation camps, 31 fire centers, 21 unit headquarters, 112 telecommunications facilities, 16 administrative headquarters, 5 training centers, 14 state forests, 1 forestry nursery, 1 statewide seed bank, and over 100 other facilities that support fire protection and resource management efforts for more than 31 million acres of both state and privately owned wildlands throughout California.

The Plan includes $1.7 billion ($358.2 million General Fund and $1.3 billion Public Buildings Construction Fund) over the next five years for the continuation and addition of critical infrastructure projects statewide with an emphasis on enhancement of operational capabilities. Projects include, but are not limited to, several unit headquarters replacement projects and the replacement of helitack and air attack bases to accommodate CAL FIRE's new helicopter fleet and new federal C-130 aircraft. The Plan also includes the replacement of aging fire stations and unit headquarter facilities.

The Budget proposes $294.6 million ($47.1 million General Fund and $247.5 million Public Buildings Construction Fund) for the continuation and addition of critical major capital projects, including the replacement of various fire stations, unit headquarters, helitack bases, and air attack bases.

DEPARTMENT OF PARKS AND RECREATION

The Department of Parks and Recreation consists of 280 parks, beaches, trails, wildlife areas, open spaces, off-highway vehicle areas, and historic sites totaling approximately 1.7 million acres of land, including over 340 miles of coastline; 970 miles of lake and river frontage; more than 15,000 campsites and alternative camping facilities; and more than 5,200 miles of motorized and non-motorized trails.

The Plan includes $146.6 million ($85.8 million General Fund, $12.5 million General Obligation bond funds, and $48.3 million other funds) over the next five years for new and continuing major capital projects, including the low-cost coastal accommodations project at Pfeiffer Big Sur State Park.

The Budget proposes $11 million ($2.1 million General Fund, $2 million General Obligation bond funds and $6.9 million other funds) for projects at Hollister Hills State Vehicular Recreation Area, R.H. Meyer Memorial State Beach, Border Field State Park, Candlestick Point State Recreation Area and the California Indian Heritage Center.

DEPARTMENT OF WATER RESOURCES

The Department of Water Resources (DWR), Division of Flood Management and the Division of Multibenefit Initiatives are committed to a wide and necessary array of flood risk reduction investments such as U.S. Army Corps of Engineers (USACE)-led urban projects, repair of storm-damaged infrastructure, and systemwide multi-benefit projects. DWR has taken a comprehensive look at funding needs over the next five years and beyond, and will continue to work on flood management projects that reduce flood risk and enhance flood system resiliency to address the impacts of climate change, improve operations and maintenance of the flood management system, and improve ecosystem functions.

Much of the existing flood management system in the Central Valley is made up of a complex, integrated system of levees, channel improvements, bypasses, operable and passive weirs, closure structures, pumping plants, and other related flood management facilities. DWR, in partnership with the Central Valley Flood Protection Board (Flood Board), participates with USACE and local entities in the operation, maintenance, repair, rehabilitation, and replacement of these facilities.

The Central Valley Flood Protection Act of 2008 requires DWR to prepare, and the Flood Board to adopt, the Central Valley Flood Protection Plan (Flood Plan). The Flood Plan is

California's strategic blueprint to improve flood risk reduction in the Central Valley. The Flood Plan lays out strategies to:

- Prioritize the state's investment in flood management over the next three decades.
- Promote multi-benefit projects.
- Integrate and improve ecosystem functions associated with flood risk reduction projects.

The Five-Year Capital Outlay Plan supports DWR flood risk reduction projects that:

- Implement improvements to the State Plan of Flood Control identified in the Flood Plan in coordination with the USACE, Flood Board, and local agencies, and address other known critical deficiencies in the Central Valley flood system.
- Advance flood improvements along the American and Sacramento Rivers and the Yolo Bypass, and locations in the San Joaquin such as Paradise Cut.
- Complete work on urban multi-benefit projects that reduce flood risk, protect habitat, and provide recreation.
- Work with USACE and local agencies to provide financial assistance to complete design and construction of flood risk reduction projects across the state.

The Budget proposes $133.2 million Proposition 4 for various flood management system projects in the Central Valley, including $24.1 million for Systemwide Flood Risk Reduction projects and $109.1 million for the Urban Flood Risk Reduction Program.

DEPARTMENT OF DEVELOPMENTAL SERVICES

The Department of Developmental Services (DDS) oversees Porterville Developmental Center, which comprises approximately 1.2 million gross square feet of building space on 670 acres supporting the Secure Treatment Program. In addition, the Department oversees the former Fairview Developmental Center, which will transition into cold shutdown in early 2026. DDS also operates six Stabilization, Training, Assistance, and Reintegration homes with a seventh home under development. At Canyon Springs Community Facility, DDS is responsible for maintaining the interior finishes and equipment of the 57,000-square-foot leased facility. DDS is also developing three state-operated Complex Needs Homes, which will be located in Costa Mesa. These facilities support Californians with developmental disabilities in achieving their goals.

The Plan includes $206.9 million ($14.5 million General Fund and $192.4 million Public Buildings Construction Fund) over the next five years for the design and construction of three projects to address space and infrastructure deficiencies at the Porterville Developmental Center: the Office of Protective Services Control Room Expansion, and two projects in the Secure Treatment Area of the facility—a new storage building and 96-bed residence replacement.

DEPARTMENT OF STATE HOSPITALS

The Department of State Hospitals (DSH) oversees five hospitals—Atascadero, Coalinga, Metropolitan, Napa, and Patton—that have a campus infrastructure comprising more than 6.6 million square feet on 1,726 acres of land. These facilities support DSH's mission to provide evaluation and treatment services for individuals with complex behavioral health needs in a safe, equitable, and responsible manner.

The Plan includes $512.3 million ($234.6 million General Fund and $277.8 million Public Buildings Construction Fund) over the next five years to address electrical, water, and utility plant deficiencies at Atascadero, Metropolitan, Napa, and Patton State Hospitals; provide a skilled nursing facility at Coalinga to address the needs of the aging population; and construct patient housing at Patton.

The Budget proposes $9 million General Fund for the design phases of the Electrical Infrastructure Upgrades project at Napa and Patton State Hospitals.

DEPARTMENT OF CORRECTIONS AND REHABILITATION

As one of the largest departments in state government, the Department of Corrections and Rehabilitation (CDCR) operates 31 state-owned institutions and 35 firefighting and conservation camps. CDCR's infrastructure includes more than 40 million square feet of state-owned building space on more than 20,000 acres of land statewide.

CDCR and the Board of State and Community Corrections (BSCC) jointly administer several programs to partially finance the design and construction of county correctional facilities. The programs consist of Adult Local Criminal Justice and Local Youth Offender Rehabilitation facilities. Legislation is comprised of the 2007 SB 81 (Youth), the 2007 AB 900 (Adult), the 2012 SB 1022 (Adult), the 2014 SB 863 (Adult), and the 2016 SB 844 (Adult). A total of $294 million has been awarded to 18 projects across the counties to build or remodel Youth Offender facilities and $2.1 billion has been awarded to 52 projects across the counties to build or remodel Adult Local Criminal facilities. CDCR oversees 41 of these projects totaling $1.4 billion authorized from AB 900, SB 81, and SB 1022. CDCR currently has $516,000 remaining to be awarded from AB 900, Phase II.

San Quentin Rehabilitation Center: In March 2023, the Administration announced a plan to transform San Quentin State Prison into the San Quentin Rehabilitation Center, focused on ensuring every incarcerated person has access to rehabilitation and education programs, as well as the opportunity to gain resources and skills to improve their outcomes upon reentering society. A multi-disciplinary Advisory Council was established in May 2023 and tasked with drafting and presenting recommendations to achieve cultural and transformational change within the prison and help inform CDCR's California Model (see the Criminal Justice and Judicial Branch Chapter, Rehabilitation and Reentry). The Advisory Council met with various and diverse stakeholders throughout the summer and fall and presented its final report and recommendations in early January 2024.

Using the recommendations from the Advisory Council, CDCR began site work on the new Educational and Vocational Center in March 2024, and construction activities began in August 2024. The center is comprised of three buildings totaling approximately 81,000 square feet, and includes flexible classrooms, media and technology spaces, library space, counseling spaces, multi-purpose rooms, a store, a cafe, and a central plaza with courtyard space. The project is expected to be completed in January 2026.

Additionally, improvements to the Upper Yard including the removal of the Individual Exercise Yards and construction of outdoor recreational and programming spaces are underway and estimated to be completed in December 2026.

The Plan includes $78.5 million General Fund over the next five years for seven projects that address critical fire and life safety upgrades.

The Budget proposes $9.2 million General Fund for potable water projects at the California Health Care Facility, Stockton; the Valley State Prison, Chowchilla; and Correctional Training Facility, Soledad.

BOARD OF STATE AND COMMUNITY CORRECTIONS

As explained above, the BSCC and CDCR jointly administer several programs to partially finance the design and construction of county correctional facilities. The programs consist of Adult Local Criminal Justice and Local Youth Offender

Rehabilitation facilities. Legislation is comprised of the 2007 SB 81 (Youth), the 2007 AB 900 (Adult), the 2012 SB 1022 (Adult), the 2014 SB 863 (Adult), and the 2016 SB 844 (Adult). A total of $294 million has been awarded to 18 projects across the counties to build or remodel Youth Offender facilities and approximately $2.1 billion has been awarded to 52 projects across the counties to build or remodel Adult Local Criminal Justice facilities. BSCC oversees 29 of these projects totaling $918 million authorized from SB 1022, SB 863, and SB 844. BSCC currently has $20 million remaining to be awarded from SB 863 and $1.3 million remaining to be awarded from SB 1022.

EDUCATION FACILITIES

Since 1998, California voters have approved more than $50 billion in statewide General Obligation bonds to construct or renovate public school classrooms used by the state's approximately six million TK-12 students and more than $13 billion in statewide General Obligation bonds to construct or renovate public college and university facilities. These amounts include the Proposition 2 funding of $8.5 billion for TK-12 and $1.5 billion for the California Community Colleges (CCCs).

In addition to state General Obligation bonds, school districts may use developer fees, local General Obligation bonds, and Mello-Roos bonds to construct additional classrooms or renovate existing classrooms. CCCs may use local General Obligation bonds to support their facility needs.

The Budget continues to allocate $1.5 billion Proposition 2 bond funds to support school construction projects in 2026-27, similar to amounts allocated in prior years.

CALIFORNIA DEPARTMENT OF EDUCATION—STATE SPECIAL SCHOOLS

The State Special Schools Division includes three residential schools—a School for the Deaf in Riverside, Schools for the Deaf and Blind in Fremont, and three diagnostic centers in Fresno, Fremont, and Los Angeles. The schools provide comprehensive educational programs composed of academic, extracurricular, and residential activities for Deaf, hard-of hearing, DeafBlind, blind, visually-impaired, and low-vision students. The diagnostic centers provide assessment services for students in special education with complex educational needs, along with professional learning and technical assistance support for educators and community partners.

The Plan includes $75.1 million ($16.9 million General Fund and $58.2 million Public Buildings Construction Fund) over the next five years for seven new projects and one continuing project to address aging infrastructure at facilities statewide.

The Budget proposes $14.7 million General Fund for the construction phase of the California School for the Deaf, Fremont - Perimeter Security Fencing project.

HIGHER EDUCATION

Each year, millions of Californians pursue postsecondary degrees and certificates, enroll in courses, or participate in other kinds of education and training. The three public segments that support these educational opportunities are the University of California (UC), the California State University (CSU), and the California Community Colleges (CCCs).

UNIVERSITY OF CALIFORNIA AND CALIFORNIA STATE UNIVERSITY

The UC and CSU are currently authorized to fund capital projects within their annual support budgets. This provides the universities with the flexibility to factor infrastructure development costs and priorities within their comprehensive fiscal plans. In accordance with statute, both the UC and the CSU submit annual capital outlay proposals for legislative review and Department of Finance approval.

CALIFORNIA COMMUNITY COLLEGES

The CCCs comprise the largest postsecondary system of education in the nation. The system serves approximately 2.2 million students annually at 73 locally governed community college districts encompassing 116 campuses, 8,080 approved off-campus centers, and 24 district offices. The system also provides instruction at numerous off-campus outreach centers. Additionally, the Administration is supporting the development of affordable student housing projects approved under the Higher Education Student Housing Grant Program, which are now being funded by the Public Buildings Construction Fund.

The Plan includes $1.1 billion General Obligation bond funds over the next five years for new and continuing projects. Proposition 2 of 2024 authorized $1.5 billion in state General Obligation bonds to support the improvement and construction of community college facilities.

The Budget proposes $736.9 million General Obligation Bond funds for 10 new projects and 29 continuing projects, all of which are funded by Proposition 2. It is anticipated that the first critical infrastructure projects funded with Proposition 2 will be completed in 2027 and the first of the new building projects will be completed in 2028.

FRANCHISE TAX BOARD

The Franchise Tax Board (FTB) Data Center facilities house critical IT infrastructure allowing the FTB to maintain day-to-day operations and generate revenue for the State of California. FTB currently maintains the Data Center, which is housed in two locations in FTB's Sacramento Central Office Campus in Sacramento. The total space of the two locations encompasses approximately 26,000 square feet.

The Plan includes $23.4 million General Fund over the next five years for the Central Office Campus Security Upgrades project.

DEPARTMENT OF GENERAL SERVICES

The Department of General Services (DGS) manages approximately 43.6 million square feet of space that supports a variety of state programs and functions. Of this amount, 19.6 million square feet is attributable to 58 DGS-managed state office buildings including the State Capitol; 2.9 million square feet is related to 27 other state-owned buildings including warehouses, storage, the Central Heating and Cooling Plant, parking structures, and the State Records Warehouse; and 21.1 million square feet is associated with DGS-managed commercial leases of all space types. Additionally, DGS has jurisdiction over retail and residential properties in downtown Sacramento that the Capitol Area Development Authority manages directly. Finally, major renovations to three buildings in Downtown Sacramento, the Gregory Bateson building, the former Resources building, and the Jesse Unruh building, were completed in March, August, and December 2025, respectively.

The Plan includes $202.6 million ($52.2 million General Fund and $150.4 million Public Building Construction Fund) over the next five years for projects in the Sacramento Region, including the reconfiguration of the 10th & O building upon completion of the Capitol Annex in 2027, and the renovation of the Warren-Alquist Energy building and the Blue Anchor building.

MILITARY DEPARTMENT

The Army National Guard statewide facilities include 80 active armories, three aviation centers, 32 field maintenance shops, three combined support maintenance shops, and one maneuver area training equipment site. The facilities are used to house and train the California National Guard and provide emergency public safety support. The Military Department also operates three major training facilities that provide troop lodging, administration, warehouse, maintenance, firing ranges, and maneuver training areas. Additionally, the Military Department's facilities include 43 active buildings for the department’s nine Youth and Community Programs.

The Plan includes $68.6 million ($15.9 million General Fund, $9.2 million Armory Fund, and $43.5 million federal funds) over the next five years.

DEPARTMENT OF VETERANS AFFAIRS

The Department of Veterans Affairs (CalVet) facilities include eight veterans homes, three state veterans cemeteries, and a headquarters office building in Sacramento. The eight veterans homes are located in Yountville, Barstow, Chula Vista, West Los Angeles, Lancaster, Ventura, Redding, and Fresno. Additionally, CalVet is constructing a new Skilled Nursing Facility in Yountville that will be completed in early 2026. Veterans homes provide domiciliary housing for the state's veterans and are also licensed to provide three levels of care, ranging from assisted living to skilled nursing. The three cemeteries operated by CalVet are located in Igo, Yountville, and Seaside.

The Budget proposes $209.3 million federal funds for the design-build phase of the Yountville Skilled Nursing Facility. This authority will reimburse state costs.

DEBT FINANCING

The state has long used debt financing as a tool for infrastructure investment. When the state borrows to pay for infrastructure, roughly one out of every two dollars spent on infrastructure investments pays long-term interest costs, rather than construction costs.

Budget challenges in the early 2000s resulted in a greater reliance on debt financing, rather than pay-as-you-go funding. From 1974 to 1999, California voters authorized $31 billion of General Obligation (GO) bonds. From 2000 to 2025, voters expanded the types of programs funded by bonds and authorized approximately $157 billion of GO bonds. Of all previously approved bonds, debt obligations of approximately

$72.1 billion in GO bonds and approximately $9.2 billion in lease revenue bonds remain outstanding as of December 1, 2025. Additional information related to GO and lease-revenue bond issues can be found on the State Treasurer's website.

As shown in the Debt Service on General Obligation and Lease-Revenue Bonds figure, debt service on infrastructure bonds is expected to increase to $4.1 billion by 2027-28, assuming only limited new lease revenue bonds are authorized.

Debt Service on General Obligation and Lease Revenue Bonds
(Dollars in Millions)

		All Funds		General Fund	
Fiscal Year	General Fund Revenues	Debt Service	Debt Service Ratio [1/]	Debt Service	Debt Service Ratio [1/]
2025-26	$235,162	$8,118	3.45%	$5,652	2.40%
2026-27	$227,385	$9,294	4.09%	$6,731	2.96%
2027-28[e/]	$232,440	$9,610	4.13%	$7,098	3.05%
2028-29[e/]	$239,002	$10,009	4.19%	$7,456	3.12%
2029-30[e/]	$249,119	$10,700	4.30%	$8,133	3.26%

Footnotes:

[1/] The debt service ratio expresses the state's debt service costs as a percentage of its General Fund revenues.

[e/] Estimated

The debt service ratio is a measure of relative indebtedness. It expresses the state's debt service level as a percentage of its General Fund revenues. The total debt service ratio for all funds is projected to increase in 2027-28 to 3 percent, based on currently authorized General Fund-supported GO and lease-revenue bond debt.

BOND SALES AND DEBT RESTRUCTURING

GENERAL OBLIGATION BONDS

Last fall, the state issued $3.4 billion in GO bonds, of which $2 billion (new money bonds) was issued to finance or refinance interim financing for new capital facilities or other voter-approved projects and $1.4 billion (refunding bonds) was issued to refinance previously issued GO bonds for interest savings or other objectives. The issuance of GO refunding bonds will provide $182 million of debt service savings to the General Fund over the next 20 years, or $142 million on a net present value basis.

Since 2019, the state has issued $26.4 billion in new money GO bonds and approximately $27.5 billion in GO refunding bonds. The issuance of GO refunding bonds for debt service savings has provided the General Fund $7.1 billion of savings over the life of the bonds, or $5.7 billion on a net present value basis.

STATE PUBLIC WORKS BOARD LEASE-REVENUE BONDS

Since 2019, the Administration has refunded approximately $3.6 billion of existing lease-revenue bonds, resulting in debt service savings of $632 million, with an average net present value savings of 18 percent. In that same period, the Administration issued $4.6 billion in new money to finance newly completed capital projects.

The Administration will continue to look for other financing opportunities to achieve savings for the state by leveraging favorable market conditions.

ECONOMIC OUTLOOK

Despite ongoing uncertainty surrounding federal trade, immigration, and fiscal policies, the U.S. and California economies in 2025 have shown greater resilience than projected in the 2025-26 May Revision forecast. The stronger-than-expected economic performance was supported by continued consumer spending, slower-than-expected pass-through of higher tariff costs to consumers, and stronger-than-projected personal income growth. Moreover, the Budget forecast now projects an average effective tariff rate of around 17 percent over the forecast window, compared to the May Revision projection of 27 percent. As a result, the outlook for the U.S. and California economies has generally improved and the Budget projects moderately upgraded Gross Domestic Product (GDP) and personal income growth and lower inflation. However, signs of moderation are apparent, especially in the labor market, which is significantly cooler than in 2024, and economic risks remain elevated.

The Budget forecast projects U.S. real GDP to grow by 2 percent in 2025 and 2.2 percent in 2026, upgraded from 1.3 percent and 1.5 percent, respectively, in the May Revision forecast. The average annual GDP growth projection from 2027 to 2030 remains at 1.7 percent. The upward revision to GDP growth is driven by stronger realized annualized growth of 1.6 percent in the first half of 2025, compared to 0.4 percent projected in the May Revision forecast.

U.S. headline Consumer Price Index (CPI) inflation was revised down to average 2.8 percent from 2025 through 2027, compared to the 3 percent average projected in the May Revision forecast as the impact of tariffs on consumer prices is projected to be smaller and more drawn-out. U.S. CPI accelerated from 2.3 percent year-over-year in

April 2025 to 3 percent in September, averaging 2.7 percent in the first nine months of 2025 compared to 3.2 percent projected in the May Revision. Based on their assessment that elevated inflation is a lesser immediate threat than the weakening labor market, the Federal Reserve cut interest rates three times in 2025 to a range of 3.50 percent to 3.75 percent. The Budget assumes the Federal Reserve will pause interest rate cuts until June 2026 as inflation is projected to remain persistent in the first half of 2026. The May Revision forecast assumed one rate cut in December.

Since finalizing the May Revision forecast in mid-April, the U.S. added 35,000 jobs on average per month through November 2025, higher than the average monthly job gain of 23,000 jobs projected at the May Revision between the second quarter and fourth quarter of 2025. U.S. nonfarm payroll employment growth is revised higher through 2027 but is downgraded thereafter, reflecting the delayed impacts of tariffs. U.S. nonfarm payroll employment levels are revised up by about 903,000 jobs or 0.6 percent annually on average over the forecast period (2025-2030). U.S. job growth is projected to average 0.5 percent over the forecast period, upgraded by 0.1 percentage point compared to the May Revision forecast.

Unlike the nation, California nonfarm payroll employment levels and growth are revised lower compared to the May Revision forecast, due largely to a more sluggish labor market and the incorporation of downwardly revised interim benchmark data. Year-to-date through September 2025, California lost 4,400 jobs per month compared to a projection of 5,000 jobs added per month in the May Revision. The Budget projects California nonfarm payroll employment levels to be about 122,000 jobs per year or 0.7 percent lower on average over the forecast period compared to the May Revision forecast. Despite the downgraded labor market outlook, California personal income is upgraded by an average of $84.8 billion or 2.2 percent per year in the forecast window, due largely to actuals in the second quarter of 2025 that were $69.1 billion above the May Revision. The Economic Indicators figure summarizes the main underlying assumptions of the U.S. and California economic outlook.

While the economic outlook is generally more positive than projected at the May Revision, signs of slowing have become more apparent, particularly in the U.S. and California labor markets—which added just 684,000 jobs and lost 39,800 jobs from January through September 2025, respectively, significantly lower than the respective job gains of 1,384,000 jobs and 52,100 jobs over the same period in 2024. Federal policies related to trade and immigration are expected to continue to dampen economic growth by constraining labor supply, weakening business investment, and increasing costs for businesses and consumers.

Economic Indicators

Annual Percentage Change unless Otherwise Indicated

			Forecast					
	2023	2024	2025	2026	2027	2028	2029	2030
United States								
Real GDP								
Governor's Budget, November 2025	2.9	2.8	*2.0*	*2.2*	*1.8*	*1.6*	*1.8*	*1.7*
Percentage Point Change from May Revision			*0.6*	*0.8*	*0.3*	*(0.1)*	*(0.0)*	*0.0*
Unemployment Rate (percent)								
Governor's Budget, November 2025	3.6	4.0	*4.2*	*4.5*	*4.5*	*4.5*	*4.4*	*4.3*
Percentage Point Change from May Revision			*(0.1)*	*(0.4)*	*(0.6)*	*(0.4)*	*(0.1)*	*(0.0)*
Nonfarm Employment								
Governor's Budget, November 2025	2.2	1.3	*0.9*	*0.5*	*0.5*	*0.2*	*0.4*	*0.4*
Percentage Point Change from May Revision			*0.0*	*0.5*	*0.5*	*(0.1)*	*(0.3)*	*(0.3)*
Personal Income								
Governor's Budget, November 2025	6.5	5.6	*5.0*	*5.4*	*5.5*	*4.7*	*4.5*	*4.5*
Percentage Point Change from May Revision			*0.3*	*0.9*	*0.7*	*0.1*	*0.2*	*0.2*
CPI Inflation Rate (percent)								
Governor's Budget, November 2025	4.1	2.9	*2.8*	*2.9*	*2.6*	*2.5*	*2.3*	*2.3*
Percentage Point Change from May Revision			*(0.6)*	*(0.1)*	*0.2*	*0.0*	*(0.1)*	*(0.1)*
California								
Unemployment Rate (percent)								
Governor's Budget, November 2025	4.7	5.3	*5.4*	*5.6*	*5.5*	*5.3*	*5.2*	*5.1*
Percentage Point Change from May Revision			*0.0*	*0.1*	*(0.0)*	*(0.0)*	*0.0*	*0.0*
Civilian Labor Force								
Governor's Budget, November 2025	1.3	0.9	*0.8*	*0.3*	*0.1*	*0.2*	*0.2*	*0.2*
Percentage Point Change from May Revision			*0.4*	*0.2*	*(0.1)*	*(0.1)*	*(0.0)*	*(0.2)*
Nonfarm Employment								
Governor's Budget, November 2025	1.0	0.6	*0.1*	*0.0*	*0.2*	*0.4*	*0.5*	*0.6*
Percentage Point Change from May Revision			*(0.2)*	*(0.2)*	*(0.1)*	*(0.1)*	*(0.1)*	*(0.1)*
Residential Permits (thousands of units)								
Governor's Budget, November 2025	110	100	*99*	*100*	*104*	*108*	*111*	*115*
Percentage Point Change from May Revision			*(1.7)*	*(0.8)*	*3.1*	*4.1*	*4.9*	*4.9*
Average Wages								
Governor's Budget, November 2025	3.3	5.5	*5.1*	*4.1*	*4.4*	*4.3*	*4.3*	*4.2*
Percentage Point Change from May Revision			*1.9*	*0.2*	*0.1*	*0.2*	*0.1*	*0.1*
Personal Income								
Governor's Budget, November 2025	5.3	6.8	*5.3*	*4.1*	*4.7*	*4.7*	*4.7*	*4.7*
Percentage Point Change from May Revision			*1.3*	*(0.0)*	*0.1*	*(0.0)*	*0.1*	*0.2*
CPI Inflation Rate (percent)								
Governor's Budget, November 2025	3.9	3.1	*3.2*	*3.3*	*3.2*	*3.2*	*3.2*	*3.2*
Percentage Point Change from May Revision			*(0.6)*	*(0.3)*	*0.1*	*(0.0)*	*(0.1)*	*(0.0)*

2026-27 Governor's Budget Forecast based on data available as of November 2025.

2025-26 May Revision Forecast based on data available as of April 2025. Figures in italics indicate forecasts.

Source: U.S. Bureau of Economic Analysis; U.S. Bureau of Labor Statistics; U.S. Census Bureau; California Employment Development Department, Labor Market Information Division; California Department of Finance, 2026-27 Governor's Budget Forecast.

While there is more information on federal policy relative to the May Revision forecast, risks and uncertainty remain elevated due to the still-fast-moving landscape of federal policy, especially as it relates to international trade and immigration. For example, the federal administration remains inconsistent in its approach to tariffs, with actual and proposed tariff schedules changing repeatedly—almost 30 times between May 2025 and November 2025 alone. Increased deportations and limited international immigration would likely depress the state's labor market as the state has a disproportionate share of immigrants and through negative impacts on tourism. Other risks include higher or more persistent inflation than expected and stock market volatility. More persistent or higher inflation than anticipated could lead the Federal Reserve to reverse course and increase interest rates which would make the cost of borrowing more expensive, negatively impacting consumption and investment and leading to lower economic growth. While the stock market boom in 2025 was driven by valuations of firms involved with artificial intelligence, surveys indicate that consumers in particular have become increasingly unsettled about the economy's near term prospects, and there is a risk of 'stagflation'—a period in which GDP growth contracts even while inflation increases. Ongoing structural risks related to demographic challenges and high housing costs remain.

U.S. and California Forecasts

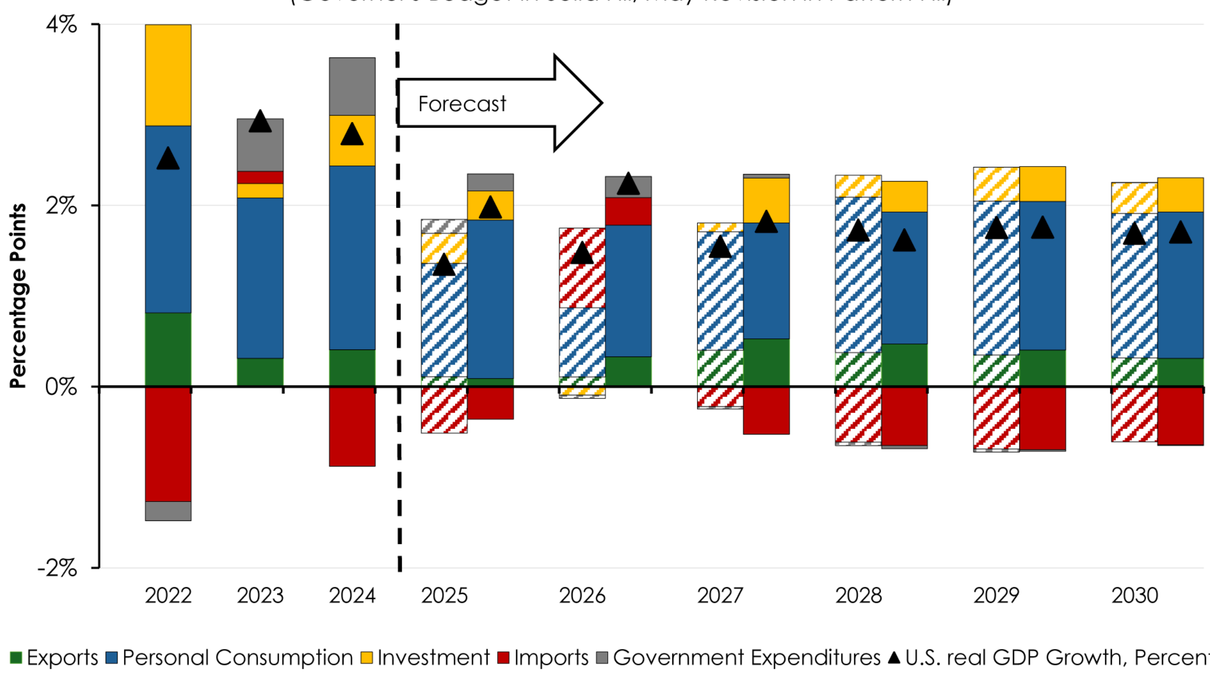
U.S. Economic Growth Slightly Upgraded

The Budget forecast incorporates updated data and assumptions between April 2025 and November 2025, reflecting a stronger starting point for the forecast than assumed in the May Revision. The Budget forecast incorporates a much lower effective tariff rate than assumed in the May Revision, although unchanged assumptions around deportations and federal government layoffs are expected to continue to dampen the outlook. As a result, the Budget forecast incorporates an upward revision to near term economic growth while maintaining moderate growth assumptions in the out-years as policy uncertainty and structural constraints continue to weigh on longer-term economic prospects.

In the first half of 2025, the U.S. and California economies showed stronger growth than the "growth recession," a period of below-trend growth, projected in the May Revision forecast through the first three quarters of 2025. Following growth of 2.8 percent in 2024, U.S. real GDP growth significantly slowed to 1.6 percent on a seasonally adjusted annualized rate (SAAR) basis in the first half of 2025, however, this was significantly higher than the 0.4-percent growth projected in the May Revision. This included a contraction of 0.6 percent SAAR in the first quarter due to frontloading of imports ahead of tariffs, followed by a rebound to 3.8-percent growth in the second quarter. Consumption, which accounts for nearly 70 percent of GDP, was more stable, increasing at a 0.6-percent annualized rate in the first quarter and 2.5 percent in the second quarter.

U.S. real GDP growth is projected at 2 percent in 2025 and 2.2 percent in 2026, upgraded from 1.3 percent and 1.5 percent, respectively. As shown in the Contributions to U.S. Real GDP Growth figure, this upgrade is due mainly to consumption, which is projected to add 0.5 more percentage point to GDP growth in 2025 and 0.7 percentage point in 2026 than projected at the May Revision. GDP growth is then projected to average 1.7 percent from 2027 to 2030, unchanged from what was assumed at the May Revision.

Contributions to U.S. Real GDP Growth
(Governor's Budget in Solid Fill, May Revision in Pattern Fill)

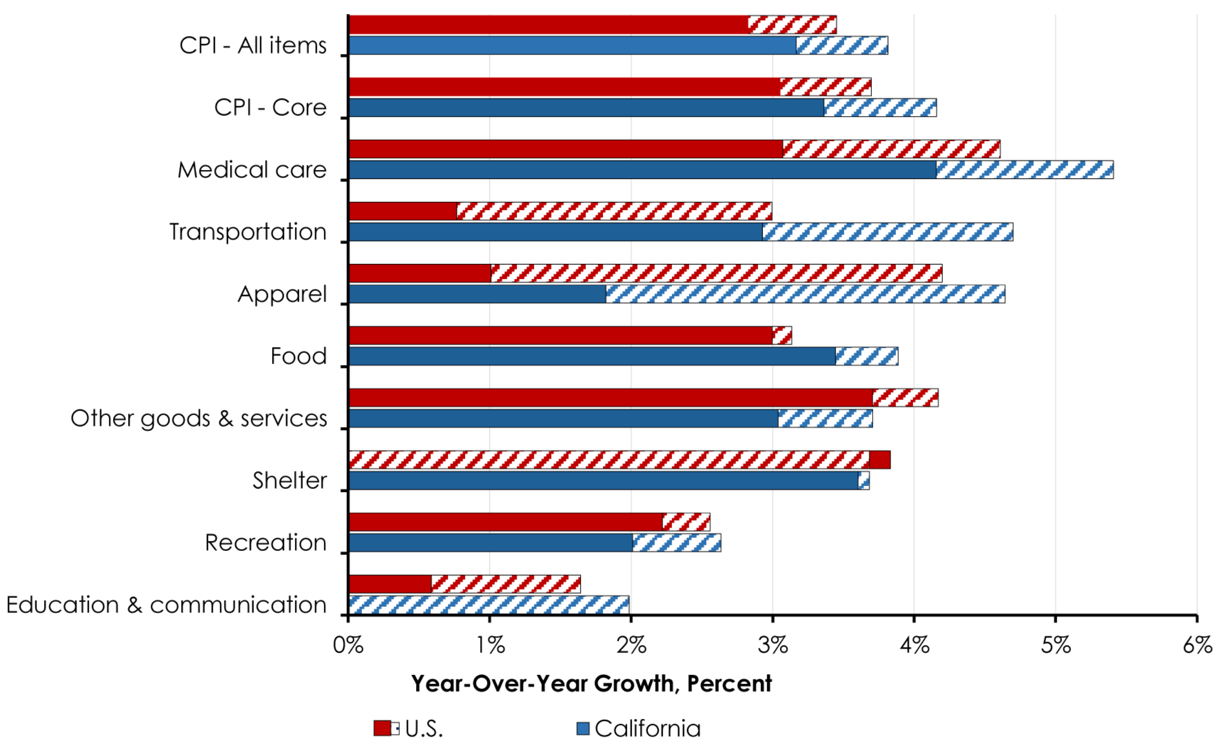


Source: U.S. Bureau of Economic Analysis (BEA); California Department of Finance, 2026-27 Governor's Budget Forecast.

INFLATION REVISED LOWER BUT PROJECTED TO REMAIN ABOVE 2 PERCENT

The impact of tariffs on consumer prices is projected to be smaller and more drawn out than assumed in the May Revision forecast as indicated by slower inflation than projected through September. U.S. CPI inflation averaged 2.7 percent over the nine months from January to September 2025, half a percentage point below the May Revision projection of an average of 3.2 percent over the same period. The U.S. headline CPI inflation forecast has been revised significantly lower, to 2.8 percent in 2025 and 2.9 percent in 2026, down from 3.5 percent and 3 percent, respectively, in the May Revision forecast. As shown in the U.S. and California CPI Inflation in 2025 figure, the downward revision was broad-based but led by import-heavy categories such as apparel and new vehicles, as well as gasoline. Average U.S. headline CPI inflation from 2027 through 2030 is projected to remain at 2.4 percent due in part to persistent effects of federal trade and immigration policies keeping shelter inflation high.

U.S. and California CPI Inflation in 2025
(Governor's Budget in Solid Fill, May Revision in Pattern Fill)



Note: Education & communication CPI inflation is projected to be 0 percent for 2025 in the Governor's Budget forecast.
Source: U.S. Bureau of Labor Statistics (BLS); California Department of Finance, 2026-27 Governor's Budget Forecast.

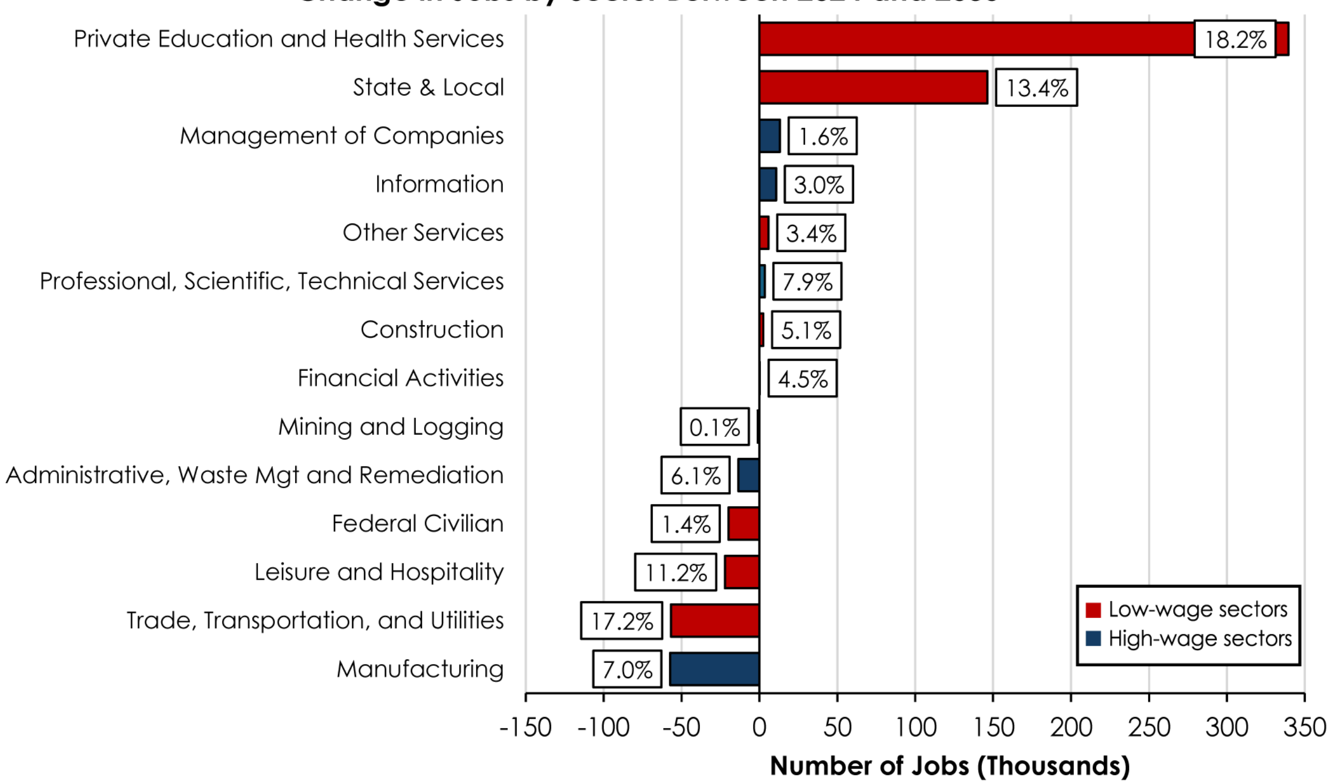
Similar to the nation, California headline CPI inflation was also revised lower in the near term, to 3.2 percent in 2025 and 3.3 percent in 2026, revised down from 3.8 percent and 3.5 percent, respectively, in the May Revision. As in the nation, the downward revision was broad-based but led by apparel and transportation. California headline CPI Inflation averaged 3 percent in 2025 through August, nearly 0.4 percentage point below the 3.4-percent projection from the May Revision over the same period. California inflation is projected at 3.2 percent every year from 2027 to 2030, broadly in line with the May Revision forecast.

CALIFORNIA JOB GROWTH TO REMAIN SUBDUED

Since finalizing the May Revision forecast in mid-April, California has seen two months of job growth followed by four months of consecutive job losses, leading to a total of seven months of job losses in calendar year 2025 through September. Despite these job losses, the average monthly job growth between April and September 2025 remains positive at 1,700 jobs; however, it is significantly lower than the monthly gain of 6,100 jobs projected in the May Revision over the same period. Moreover, job growth in the state has been driven largely by just two sectors—private education and health services. Between April and September, low-wage sectors added about 12,200 jobs per month, with private education and health services accounting for 96 percent of those gains, while high-wage sector jobs shed 10,500 jobs per month. "Low-wage sectors" are defined as sectors with an average wage that is lower than the state's average wage—around $95,400 in 2024—while "high-wage sectors" have average wages above the state average. According to this definition, low-wage sectors are comprised of construction, trade, transportation, and utilities, private education and health services, leisure and hospitality, other services, and government while high-wage sectors are comprised of mining and logging, manufacturing, information, financial activities, and professional and business services. In comparison, the May Revision forecast projected the state to add around 11,100 low-wage sector jobs per month and to lose 5,000 high-wage sector jobs per month between April and September. Additionally, the industries that are most directly exposed to tariffs—construction, manufacturing, and trade, transportation and utilities combined—lost 2,500 jobs per month on average during the same period while the state's highest paying sectors, information and professional and business services combined, lost 3,400 jobs per month on average between April and September 2025.

Looking ahead, California's projected job growth is downgraded by 0.2 percentage point on average between 2025 and 2030 due to the continued deterioration of the labor market and anticipated downward revisions to past data. The Budget forecast projects nearly no payroll job growth through 2026, followed by a marginal increase of 0.2 percent in 2027 before accelerating to 0.6 percent by 2030, slightly lower than the May Revision projections of 0.4 percent and 0.7 percent, respectively. As shown in the Changes in Jobs by Sector figure, the private education and health services sector is expected to remain the primary driver of growth over the forecast period; however, jobs in this sector also accounted for over half of the downgrade relative to the May Revision forecast. This downgrade is driven by anticipated downward revisions to past data as well as slower job growth in the health care and social assistance subsector due to reduced health care related spending from H.R.1. Additionally, trade, transportation and utilities jobs were substantially revised down due primarily to larger projected job losses as this industry is particularly exposed to tariffs and trade. Similarly, leisure and hospitality jobs were also a primary driver of the downgrade compared to the May Revision forecast as federal immigration and trade policy is projected to dampen tourism demand.

Change in Jobs by Sector Between 2024 and 2030



Note: Data labels represent industry percent share of total nonfarm in 2024.
Source: California Department of Finance, 2026-27 Governor's Budget Forecast.

WAGE GROWTH STRENGTHENS DESPITE SOFTENING EMPLOYMENT CONDITIONS

California average wage increased by 5.2 percent year-over-year in the first half of 2025, significantly stronger than the 3-percent growth projected in the May Revision. The much stronger growth was driven largely by high-wage sectors, particularly the tech-related and high-paying sectors of information and professional, scientific and technical services, likely boosted by artificial intelligence investment in the state. In line with withholding trends through November, the average wage growth in 2025 is projected to remain strong at 5.1 percent, upgraded from 3.2 percent in the May Revision forecast. Wage growth is then projected to average 4.3 percent from 2026 to 2030, upgraded from the 4.1-percent growth projected in the May Revision forecast.

PERSONAL INCOME GROWTH UPGRADED IN THE NEAR TERM

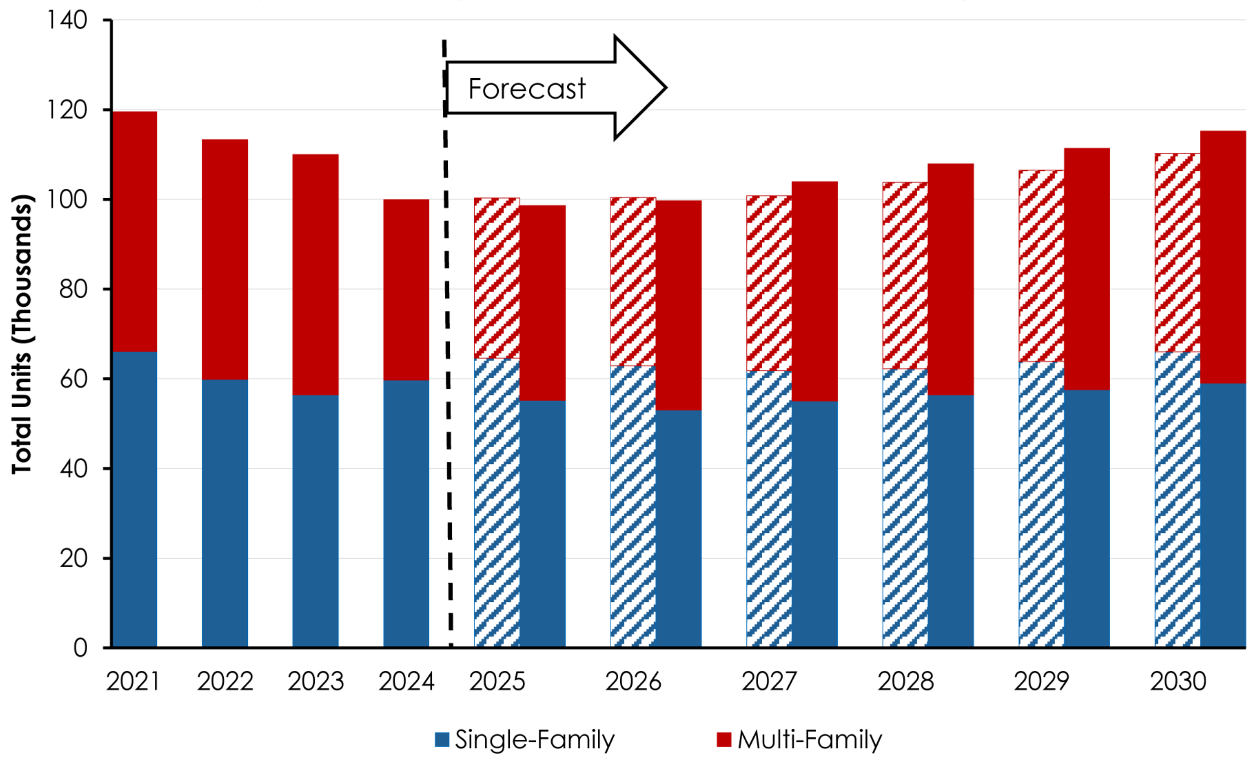
Headline personal income measures the total amount of income from nearly all sources received by all persons who live in California and is not adjusted for inflation. Due in large part to stronger wage growth, California personal income increased by 5.6 percent year-over-year in the first half of 2025, significantly stronger than the 4.1 percent projected in the May Revision. As a result, California personal income growth was upgraded to 5.3 percent in 2025 and to an average of 4.6 percent from 2026 to 2030, compared to 4 percent and 4.5 percent, respectively, in the May Revision forecast.

Most of the increase in projected personal income relative to the May Revision forecast comes from three categories: dividends ($33.8 billion per year, 11.4 percent), wages and salaries ($20.9 billion per year, 1 percent), and transfer payments ($20.9 billion per year, 3.1 percent). The upgrade to dividends was due mainly to revisions to prior years, with dividend income in 2024 revised up by $25.7 billion or 9.7 percent. This shifted the entire forecast profile for dividends upward, with the annual growth rates from 2025 to 2030 upgraded by 0.3 percentage point on average, from 3.4 percent in the May Revision to 3.7 percent in the Budget.

HOUSING PERMITS MARGINALLY UPGRADED

The residential construction sector in California continues to be hampered by higher labor and financing costs. Total permit growth fell 9.2 percent year-over-year to just under 100,000 total units in 2024 and continued to decline in 2025. Between January 2025 and August 2025 (the latest data available) permits averaged 98,200 units on an annualized seasonally-adjusted basis, 5,700 units lower than the 103,900 annualized units permitted in the same period in 2024 and 2,400 units lower than the 100,500 units projected in the May Revision for the first eight months of 2025. While the total variance from the May Revision is small, it masks offsetting trends between single-family and multi-family, which were 9,000 units lower and 6,600 units higher, respectively, when compared to the May Revision. Despite the weakness in actual permitting for 2025, California building permits levels and growth rates throughout much of the forecast window are revised slightly higher due largely to lower tariff rates and interest rates assumed in the Budget. The Budget forecast projects an annual average of 106,100 total units permitted from 2025 through 2030, 2,400 units or 2.3 percent higher than the 103,700 annual units projected on average in the May Revision forecast. Reflecting data trends since May Revision, the small net upgrade is driven by a change in composition in permitting as multi-family units are projected to average 10,000 more units annually through 2030, offset by a projected downgrade in single family units which are projected to average 7,600 fewer units than in the May Revision (see figure on California Total Residential Units Permitted).

California Total Residential Units Permitted
(Governor's Budget in Solid Fill, May Revision in Pattern Fill)



Source: U.S. Census Bureau; California Department of Finance, 2026-27 Governor's Budget Forecast.

Risks to Baseline Forecast

Risks and uncertainty remain elevated given the fast-moving and unpredictable nature of federal policymaking, especially as it relates to international trade and immigration. Significant uncertainty persists regarding the future path of tariffs and potential retaliatory actions by trade partners, as well as immigration policy and other federal actions that could materially affect economic conditions.

Escalation of trade conflicts represents a key downside risk. Higher or more widespread tariffs would likely raise input and consumer goods prices, contributing to higher inflation and reducing real purchasing power. These effects would negatively impact household consumption and business investment, likely resulting in weaker economic growth than assumed in the baseline forecast. Increased trade tensions could also lead to renewed volatility in financial markets, which would disproportionately affect high-income households and negatively impact state revenues.

Immigration policy also poses significant risks to the forecast. Increased deportations and restrictions on international immigration would likely constrain labor supply, particularly in California, which has a disproportionately large immigrant workforce. Labor shortages could place upward pressure on costs and limit economic output, while reducing employment growth across a range of industries. In addition, an environment perceived as unwelcoming due to restrictive trade and immigration policies has already contributed to a decline in international tourism to the United States and California, which could further weaken and disproportionately affect the leisure and hospitality sector.

Financial market conditions present an additional source of uncertainty. While equity markets have performed strongly, driven in part by elevated valuations of firms associated with artificial intelligence, price-to-earnings ratios suggest the market may be vulnerable to a correction; however, the timing or magnitude of such a correction cannot be predicted. Renewed market volatility or a significant downturn would negatively affect household wealth, consumer confidence, and state revenues.

There are also risks related to the outlook for inflation and monetary policy. Given that the current elevated tariff rates have no historical precedent and as seen in 2025, there is significant uncertainty around how businesses and consumers respond to tariffs. There is a risk that inflation could be more persistent or higher than anticipated, which could prompt the Federal Reserve to pause rate cuts or reverse course and increase interest rates. Higher borrowing costs would further restrain interest-sensitive spending, including housing and business investment, and could lead to slower economic growth than projected. In a more adverse scenario, weakening growth combined with elevated inflation would raise the risk of stagflation, characterized by contracting real GDP alongside rising prices.

Finally, longer-term structural challenges remain, including demographic pressures, declining migration, high housing and living costs, and ongoing exposure to financial market volatility. These factors continue to pose downside risks to the state's economic performance and fiscal outlook over the forecast window. While these risks dominate, stronger productivity growth remains a potential upside to the economic outlook.

REVENUE ESTIMATES

The stock market and the economy have performed better than projected at the 2025 Budget Act, leading to stronger-than-projected cash receipts in 2025 and an upgraded revenue forecast in the Budget. Through November, General Fund agency cash receipts exceeded the 2025 Budget Act forecast by $9.1 billion, driven primarily by overages in receipts from the personal income tax ($7.3 billion) and to a lesser extent by "other revenue" ($1.9 billion), which include General Fund revenue sources such as disaster cost recovery and unclaimed property revenue. The stock market as measured by the S&P 500 has risen substantially compared to the projections in the 2025 Budget Act forecast, averaging approximately 19 percent higher than projected in the third quarter of 2025 (6,430 versus 5,400) and contributing to higher cash receipts. Additionally, economic data generally came in stronger than projected in the 2025 Budget Act, leading to an upgrade in the economic outlook and contributing to higher projected personal income growth.

General Fund revenue excluding transfers is projected to be $42.3 billion, or 6.7 percent, higher than assumed in the 2025 Budget Act over the budget window—from fiscal year 2024-25 through fiscal year 2026-27. The main drivers of the upgrade are personal income tax ($16.4 billion), corporation tax ($24.6 billion), and pooled money interest ($1.2 billion).

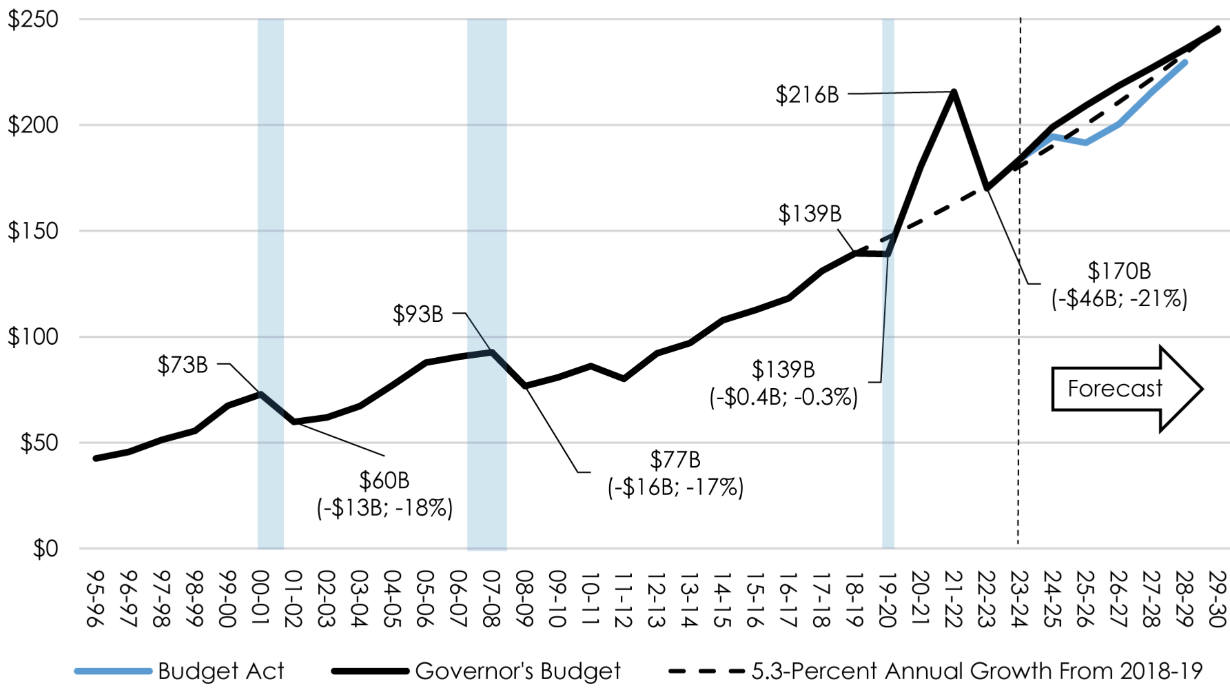
Reflecting the federal H.R.1 enacted in July 2025, which permanently extended the federal cap on the state and local tax (SALT) deduction, the Budget revenue forecast newly reflects that the state's pass-through entity elective tax (PTET) is extended. The 2025 Budget Act included a trigger to extend the PTET if federal law extended the SALT cap. The 2025 Budget Act revenue forecast—consistent with current federal law at the time—assumed that the SALT cap would expire and the state's PTET program would therefore end after 2025. Under the PTET, payments are made by pass-through businesses under the corporation tax, increasing corporation tax revenue, while corresponding PTET credits are used by individuals under the personal income tax, reducing personal income tax revenue. The state's extension of the PTET for 2026 through 2030 is projected to increase corporation tax revenue by $22.9 billion while also decreasing personal income taxes by $20.2 billion over the budget window relative to the 2025 Budget Act forecast.

Excluding the distortionary impacts of the PTET extension, the personal income tax is upgraded by $36.7 billion while the corporation tax is upgraded by only $1.7 billion, highlighting the key takeaway that the upgrade to the overall revenue forecast is driven mainly by the personal income tax forecast. The upgraded outlook for both the stock market and the economy, which included higher economic wage growth tied to certain technology-heavy sectors with high average wages, disproportionately benefits high-income earners. This leads to significant upgrades to the personal income tax forecast, mainly through higher capital gains realizations (contributing $21.2 billion) and withholding receipts (contributing $13.3 billion).

Excluding the PTET extension, the corporation tax is revised modestly higher, due mainly to higher projected corporate profits growth in 2025 and 2026. Projected interest revenue earned on assets in the Pooled Money Investment Account is revised higher due to higher cash balances in the state's pooled money account, with quarterly balances projected to be on average $20 billion higher in 2025-26 and $16 billion higher in 2026-27.

Overall, while revenue is significantly upgraded in the near term, the broader long-term picture of state revenue is very modestly upgraded from the 2025 Budget Act. As shown in the Big Three Revenue Long-Term Trajectory figure, projected revenue gradually approaches from higher levels a 5.3-percent average annual growth trajectory by the end of the multi-year in 2029-30, while the 2025 Budget Act approached this long-run growth trajectory from lower levels. The Budget projects higher growth in both 2024-25 and 2025-26, followed by lower assumed growth in subsequent years. These higher growth rates projected in the near term result in revenue being modestly above the 5.3-percent-growth trend and reflect a combination of modest economic growth and strong stock market performance. Projected growth is lower beginning in 2026-27, driven by lower growth in capital gains realizations beginning in 2026 from the higher levels projected for 2024 and 2025, which results in revenues gradually returning to the 5.3-percent trendline by 2029-30. The 2025 Budget Act, on the other hand, assumed lower growth in 2024-25 and 2025-26 due to below-trend economic growth in 2025 and significantly lower stock market levels, but then assumed higher growth beginning in 2026-27 due mainly to higher growth in capital gains realizations from lower levels projected in 2025. Despite lower growth beginning in 2026-27, revenue remains above the 2025 Budget Act levels throughout the multi-year. These revenue figures exclude the impact of the temporary credit limitation and net operating loss suspension adopted in the 2024 Budget Act.

Big Three Revenue Long-Term Trajectory
(Dollars in Billions)



Projected revenue figures exclude the estimated impact of the temporary credit limitation and net operating loss suspension adopted in the 2024 Budget Act.
Shaded bars indicate previous U.S. recessions.
Source: California Department of Finance, 2026-27 Governor's Budget Forecast.

BUDGET WINDOW

The Budget General Fund Revenue Forecast figure compares the revenue forecasts, by source, in the 2025 Budget Act and the Budget. General Fund revenue excluding transfers in the Budget is projected to be $42.3 billion higher over the budget window. The upgrade relative to the 2025 Budget Act forecast is driven primarily by the personal income tax and corporation tax, with the upgrade in the corporation tax due primarily to the extension of the PTET.

- **Revenues from the Big Three**—The Big Three revenue sources are projected to be higher by $40 billion over the budget window due to a $16.4 billion upward revision to the personal income tax forecast, a $24.6 billion upward revision to the corporation tax forecast, and a $1.1 billion downward revision to the sales tax forecast.
- **PTET Extension**—The extension of the PTET results in an additional $22.9 billion in corporation tax revenue, mostly offset by $20.2 billion in lower personal income tax revenue in the budget window, compared to the 2025 Budget Act's revenue forecast. The $2.7-billion net revenue gain between the two taxes is due to credit use against the personal income tax lagging PTET payments made under the corporation tax.
- **Minor Revenues**—Insurance, alcoholic beverage, cigarette taxes, and interest revenue from the Pooled Money Investment Account is higher by $1.4 billion over the budget window, due primarily to a $1.2 billion upgrade in the pooled money interest forecast as higher projected balances in the account are projected to generate higher interest for longer periods. Quarterly balances are projected to be on average $20 billion higher in 2025-26 and $16 billion higher in 2026-27, as stronger-than-projected General Fund tax revenue since the 2025 Budget Act has helped sustain higher cash balances. Projected revenue from the insurance tax is higher by $201 million due to stronger growth in insurance premiums in calendar year 2024.
- **Other Revenue**—Revenue from all other sources is $923 million higher over the budget window due primarily to higher unclaimed property revenue.
- **Tax Policy Proposal**—As described in more detail later in this chapter, the Budget includes a tax policy proposal that is estimated to increase General Fund sales tax revenue by $10 million in 2026-27.

2026-27 Governor's Budget
General Fund Revenue Forecast
Reconciliation with the 2025 Budget Act
(Dollars in Millions)

Source	Budget Act	Governor's Budget	Change From Budget Act Forecast	
Fiscal 2024-25 (Preliminary)				
Personal Income Tax	$126,277	$130,178	$3,900	3.1%
Corporation Tax	41,696	41,338	-358	-0.9%
Sales & Use Tax	33,706	33,602	-104	-0.3%
Insurance Tax	4,177	4,298	122	2.9%
Alcoholic Beverage	417	414	-2	-0.6%
Pooled Money Interest	3,066	3,081	14	0.5%
Cigarette	36	37	1	1.8%
Other Revenue	3,663	5,557	1,895	51.7%
Subtotal	$213,038	$218,506	$5,468	2.6%
Transfer To/From BSA	4,903	4,767	-136	-2.8%
Other Transfers	8,804	9,036	232	2.6%
Total	**$226,745**	**$232,309**	**$5,564**	2.5%
Fiscal 2025-26				
Personal Income Tax	$125,962	$137,840	$11,879	9.4%
Corporation Tax	35,613	41,702	6,089	17.1%
Sales & Use Tax	34,862	34,401	-462	-1.3%
Insurance Tax	4,359	4,370	11	0.3%
Alcoholic Beverage	421	417	-4	-1.0%
Pooled Money Interest	2,380	3,018	638	26.8%
Cigarette	35	35	0	0.5%
Other Revenue	2,790	3,924	1,133	40.6%
Subtotal	$206,421	$225,706	$19,285	9.3%
Transfer To/From BSA	7,100	7,100	0	0.0%
Other Transfers	2,212	2,356	144	6.5%
Total	**$215,733**	**$235,162**	**$19,429**	9.0%
Fiscal 2026-27				
Personal Income Tax	$141,535	$142,202	$667	0.5%
Corporation Tax	24,672	43,528	18,855	76.4%
Sales & Use Tax	35,590	35,085	-504	-1.4%
Insurance Tax	4,544	4,612	69	1.5%
Alcoholic Beverage	426	419	-7	-1.6%
Pooled Money Interest	1,646	2,165	518	31.5%
Cigarette	34	34	0	0.3%
Other Revenue	5,097	2,992	-2,105	-41.3%
Tax Policy Proposal	0	10	10	n/a
Subtotal	$213,543	$231,047	$17,504	8.2%
Transfer To/From BSA	0	-3,023	-3,023	n/a
Other Transfers	-579	-638	-59	10.2%
Total	**$212,964**	**$227,385**	**$14,421**	6.8%
Three-Year Total Excluding Transfers			**$42,256**	
Three-Year Total			**$39,414**	

PERSONAL INCOME TAX

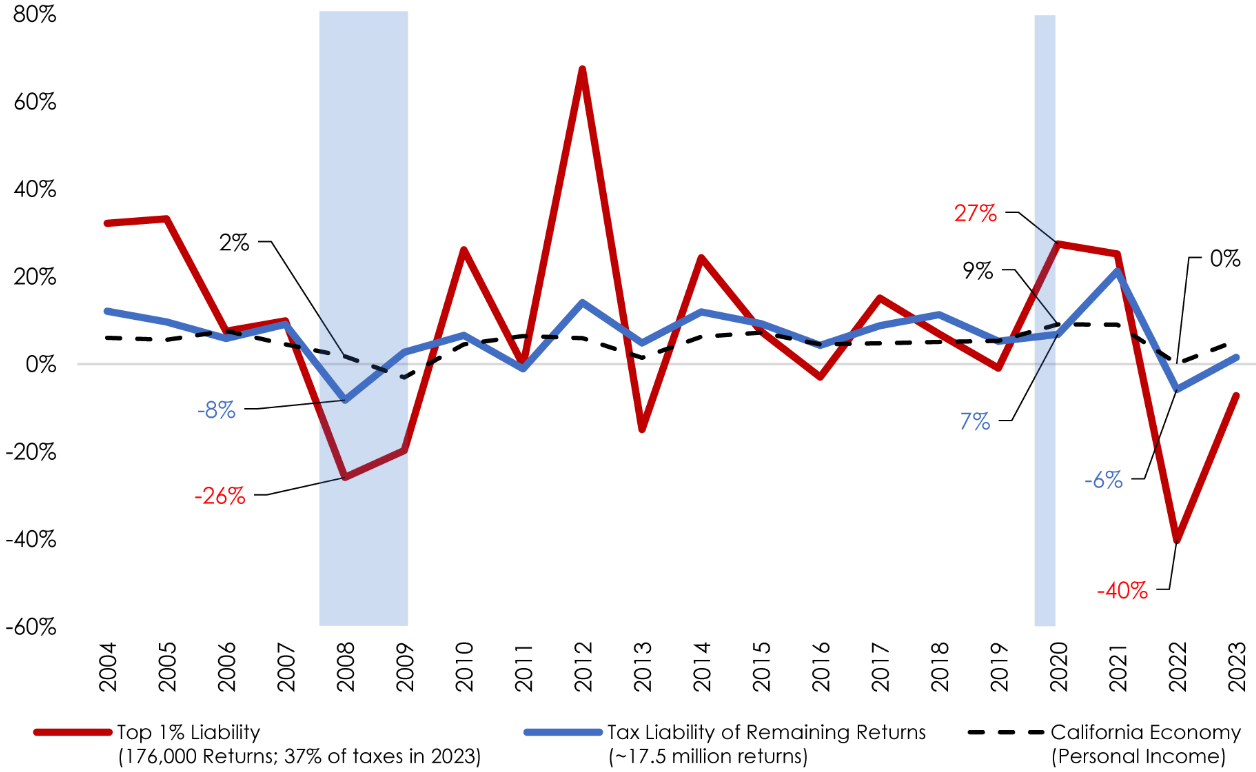
The personal income tax is the state's largest revenue source and is estimated to account for nearly 60 percent of General Fund revenue before transfers in 2024-25.

Within the personal income tax, in the 10 years through 2023, wages comprised approximately 60 percent of tax liability on average for all tax returns, and the share of capital gains was approximately 16 percent. In tax year 2023, the most recent year for which complete tax return data is available, wages represented 69 percent of tax liability while capital gains comprised 10 percent. This was a significant decrease from capital gains' share of 25 percent in 2021, when capital gains realizations hit an all-time high as a share of the economy due to federal stimulus and a surging stock market. Given that wages also include stock-based compensation, a significant share of the personal income tax depends on financial markets and individuals' decisions on when to buy and sell stocks.

The highest-income Californians pay the largest share of the state's personal income tax. In the 20 years through 2023, the top one percent of income earners' share of total resident personal income tax liability averaged approximately 45 percent. For the 2023 tax year, the top one percent of income earners, or over 176,000 tax returns, paid nearly 37 percent of personal income taxes, down from 50 percent in 2021 and 39 percent in 2022. This was due mainly to capital gains realizations in 2023 that were 63 percent below the record-high levels of capital gains realizations in 2021 and 16 percent below 2022 levels. High-income taxpayers' tax liability tends to be volatile as they earn a larger share of their total income from capital gains and stock-based compensation. To illustrate, capital gains realizations increased by $146 billion, or 72.1 percent, from 2020 to 2021 before decreasing by 55 percent from $349 billion in 2021 to $156 billion in 2022 and by an additional 16 percent to $131 billion in 2023. Similarly, withholding increased 20.2 percent in 2021, declined 1.2 percent in 2022, and increased just 1.8 percent in 2023 due in part to volatility in stock-based compensation. As illustrated in the California Personal Income Tax Resident Liability Growth figure, the top one percent's tax liability is highly volatile and often unconnected to the growth of the broader economy. For example, the tax liability of the top one percent decreased by 40 percent in 2022 while the California economy experienced flat growth.

The significant share of personal income taxes—by far the state's largest General Fund revenue source—paid by a small percentage of taxpayers increases the difficulty of forecasting personal income tax revenue. A disproportionate share of high-income taxpayers' income is derived from capital gains and stock-based compensation, two sources that can be extremely volatile from year to year. Proposition 2 helps address some of the state's revenue volatility by requiring the transfer of a portion of capital gains revenue, greater than 8 percent of General Fund tax revenue, to the Rainy Day Fund and to pay down state debts.

California Personal Income Tax Resident Liability



Shaded bars indicate U.S. recessions.
Source: California Department of Finance.

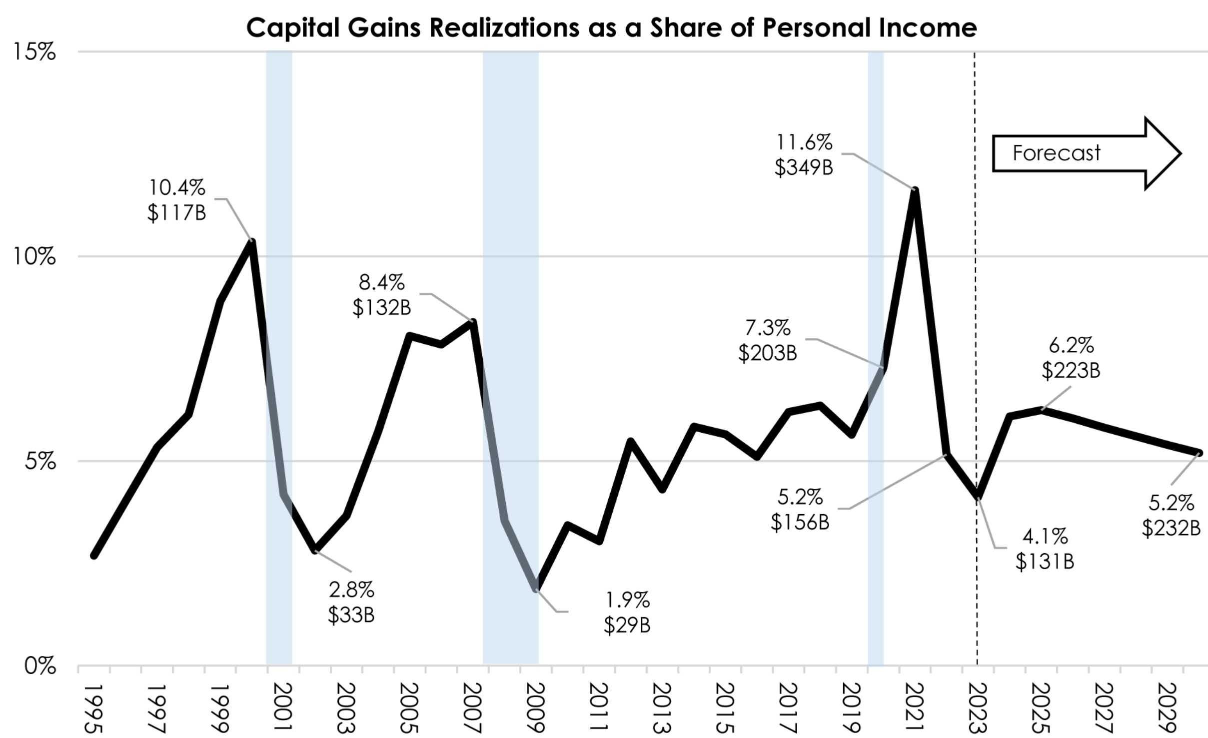
The personal income tax forecast is $16.4 billion higher through the budget window compared to the 2025 Budget Act forecast, even as the extension of the PTET results in $20.2 billion in additional PTET credits being utilized against the personal income tax. Excluding the impact of the PTET, the personal income tax is upgraded by $36.7 billion. Higher actual cash receipts, capital gains, withholding, and a stronger economic forecast all positively contribute to the significant upgrade.

Personal income tax receipts collected through November were nearly $7.3 billion above the 2025 Budget Act forecast, due primarily to higher withholding and estimated payments, which were each $3.2 billion above forecast. In addition, other payments were $896 million higher, and refunds were $109 million lower.

CAPITAL GAINS

Capital gains realizations are revised higher relative to the 2025 Budget Act forecast and contribute $21.2 billion to the overall personal income tax forecast upgrade. This upward revision is supported by stronger-than-projected growth in the stock market and stronger-than-projected cash results related to tax years 2024 and 2025.

The 2025 Budget Act forecast projected $183 billion in capital gains realizations in 2024—a 40-percent year-over-year increase from 2023 following the year-over-year declines of 55 percent in 2022 and 16 percent in 2023. Strong cash data related to tax year 2024 indicates the increase in capital gains realizations in tax year 2024 was larger than previously projected, currently estimated at 58 percent. Additionally, the stock market has risen meaningfully since April and the S&P 500 is projected to average 6,609 in the first quarter of 2026, compared to 5,400 projected for that quarter in the Budget Act, or a 22-percent upgrade. Due to the stock market forecast upgrade and supported by higher estimated payments of $3.2 billion through November, the Budget projects capital gains realizations to increase 8 percent in 2025 and 1 percent in 2026, compared to a 15-percent decline in 2025 and flat growth in 2026 assumed in the 2025 Budget Act.



Shaded bars indicate previous U.S recessions.
Source: California Department of Finance, 2026-27 Governor's Budget Forecast.

Capital gains realizations as a share of personal income reached a record high of 11.6 percent in 2021, exceeding the 2007 pre-Great Recession peak of 8.4 percent and more than a full percentage point higher than the previous record of 10.4 percent in 2000. Following these peaks in 2007 and in 2000, capital gains as a percent of personal income declined to 1.9 percent in 2009 and to 2.8 percent in 2002, which represented peak-to-trough declines in capital gains realizations of 78 percent and 72 percent, respectively. As shown in the Capital Gains as a Percentage of Personal Income figure, following its record share in 2021, capital gains realizations reverted to 5.2 percent of personal income in 2022 and 4.1 percent of personal income in 2023. This represents a peak-to-trough decline in capital gains realizations of 63 percent from 2021 to 2023. The Budget projects capital gains realizations to reach 6.2 percent of personal income in 2025 before moderating to 5 percent of personal income by 2031.

The Capital Gains Proposition 2 Revenue figure shows Proposition 2 revenue from capital gains as a percentage of total General Fund tax revenue. The amount of capital gains revenue in the General Fund can vary greatly over time and from year to year. For instance, capital gains contributed $14.4 billion to the General Fund in 2019, increased significantly to $36 billion in 2021—its highest amount ever—and decreased back to $12.7 billion in 2023. Capital gains revenue is estimated to increase to $20.5 billion in 2024 and to remain between $22 billion and $23 billion in 2025 through 2027.

Capital Gains Proposition 2 Revenue
As a Percent of General Fund Tax Revenue
(Dollars in Billions)

Calendar Year	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024[e/]**	**2025[e/]**	**2026[e/]**	**2027[e/]**
Capital Gains Realizations	$52	$100	$80	$115	$120	$113	$144	$154	$145	$203	$349	$156	$131	$207	$223	$225	$227
Prop 2 Revenue from Capital Gains	$4.2	$10.4	$7.6	$11.3	$11.8	$11.5	$14.1	$15.4	$14.4	$20.6	$36.0	$15.4	$12.7	$20.5	$22.3	$22.5	$22.8
Fiscal Year	**10-11**	**11-12**	**12-13**	**13-14**	**14-15**	**15-16**	**16-17**	**17-18**	**18-19**	**19-20**	**20-21**	**21-22**	**22-23**	**23-24[e/]**	**24-25[e/]**	**25-26[e/]**	**26-27[e/]**
Prop 2 Revenue from Capital Gains	$4.5	$6.0	$9.6	$8.7	$11.4	$11.7	$12.3	$14.5	$15.1	$16.3	$25.2	$29.8	$14.6	$15.1	$21.1	$22.4	$22.6
Total General Fund Revenue[1/]	$92	$85	$98	$103	$114	$119	$122	$135	$144	$145	$187	$224	$179	$195	$219	$226	$231
Capital Gains Percentage	4.9%	7.1%	9.8%	8.5%	10.1%	9.9%	10.0%	10.7%	10.4%	11.2%	13.5%	13.3%	8.2%	7.7%	9.6%	9.9%	9.8%

[e/]Estimated
[1/]Excluding transfers
Source: California Department of Finance, 2026-27 Governor's Budget Forecast.

WITHHOLDING

Higher projected withholding contributes $13.3 billion to the overall personal income tax upgrade. Withholding is revised higher in 2025 because of higher wage growth, particularly in technology-related sectors, and strong cash results since April. Withholding is projected to increase by 8 percent in 2025, higher than the 3.3-percent growth projected in the 2025 Budget Act. Withholding growth in the first 11 months of 2025 from technology-related sectors—information, manufacturing, and professional and technical services—was more than double that of other sectors. It is estimated that a significant portion of this strength from technology-related sectors is due to increased stock prices for California-based technology companies, leading to higher amounts of withholding from stock-based compensation for employees. The disproportionate strength in the technology sector is not assumed to continue, and withholding growth is projected to moderate to 4 percent in 2026 and 4.3 percent in 2027.

OTHER PERSONAL INCOME COMPONENTS

Other personal income components comprise the remainder (approximately $2.2 billion) of the upgrade to the personal income tax forecast. Most notably, the higher economic forecast for California personal income leads to higher taxable partnership, business, and pension income. In addition, fiduciary income is revised higher, due primarily to higher capital gains realizations.

BEHAVIORAL HEALTH SERVICES FUND

Modeled closely after federal income tax law, California's personal income tax is imposed on net taxable income—gross income less exclusions and deductions. The tax rate structure is progressive with higher income levels subject to higher tax rates. Since the 2012 tax year, the marginal tax rates range from 1 percent to 12.3 percent, not including a 1-percent surcharge on taxable income above $1 million for the Mental Health Services Act tax imposed by Proposition 63 beginning in 2004 and updated by Proposition 1, the Behavioral Health Services Act, in 2024. Proposition 30 created three additional income tax brackets beginning in 2012 with rates of 10.3 percent for taxable income above $500,000, 11.3 percent for taxable income above $600,000, and 12.3 percent for taxable income above $1 million, with the income thresholds indexed for inflation. Proposition 30 enacted these tax brackets for seven years—from tax years 2012 to 2018. Voters approved Proposition 55 in November 2016, extending the three additional tax brackets through tax year 2030.

Revenue from the 1-percent surcharge is transferred to the Behavioral Health Services Fund, formerly the Mental Health Services Fund, and used to fund state and local behavioral health care prevention, workforce, and treatment programs, including treatment of substance use disorders, housing, and treatment for people experiencing or at risk of homelessness. The Budget projects annual revenue of $3.9 billion in 2024-25, $4.6 billion in 2025-26, and $4.7 billion in 2026-27 for this fund. Over the budget window, these transfers to the Behavioral Health Services Fund are higher by nearly $2.2 billion compared to the 2025 Budget Act. The upward revision generally reflects the higher forecast for capital gains realizations in the Budget, which are disproportionately earned by higher-income taxpayers. The General Fund and the Behavioral Health Services Fund shares of personal income tax revenue for 2024-25 through 2026-27 are shown in the Personal Income Tax Revenue figure.

Personal Income Tax Revenue
(Dollars in Millions)

	2024-25 Preliminary	2025-26 Forecast	2026-27 Forecast
General Fund	$130,178	$137,840	$142,202
Behavioral Health Services Fund	$3,470	$4,456	$4,621
Total	**$133,648**	**$142,296**	**$146,823**

Source: California Department of Finance, 2026-27 Governor's Budget Forecast.

CORPORATION TAX

The corporation tax is estimated to account for nearly 19 percent of General Fund revenue before transfers in 2024-25.

The corporation tax forecast is higher by $24.6 billion in the budget window, with the extension of the PTET accounting for $22.9 billion of the upgrade. Therefore, excluding the impact of the PTET, the corporation tax is upgraded by just $1.7 billion. Corporation tax cash receipts exceeded the 2025 Budget Act forecast by $116 million through November due to a combination of slightly higher PTET and miscellaneous payments, as well as lower refunds.

The primary driver of higher corporation tax revenue, contributing about $1.2 billion, is higher projected growth in corporate taxable profits from 2025 to 2027 because of an improved economic forecast. Year-over-year growth in taxable profits is upgraded from -2 percent to 2.4 percent in 2025, 2.1 percent to 4 percent in 2026, and from 3.5 percent to 4.2 percent in 2027.

Additionally, limited liability company (LLC) fee collections are upgraded by approximately $500 million in the budget window due to stronger cash receipts to date and the improved economic forecast. Growth in LLC fees is upgraded to 6 percent in 2025-26 and 4 percent in 2026-27, whereas the 2025 Budget Act assumed these fees would remain flat in both years.

SALES AND USE TAX

The sales tax is estimated to account for about 15 percent of General Fund revenue before transfers in 2024-25.

The sales tax forecast is $1.1 billion, or 1 percent, lower in the budget window relative to the 2025 Budget Act forecast, driven by cash receipts that were $355 million, or 1.5 percent, lower than projected through November. Taxable sales were below forecast in the second quarter of 2025 primarily because inflation from tariffs was lower than projected in the 2025 Budget Act, which assumed a higher effective tariff rate and an immediate pass-through of tariff costs to consumers. However, inflation was significantly lower than projected in the second quarter of 2025 as businesses either absorbed tariff costs or found other ways to avoid significant price increases. As a result, the California inflation forecast was downgraded, resulting in lower price levels for most taxable goods relative to the 2025 Budget Act throughout the budget window and negatively impacting sales tax revenue.

RISKS AND UNCERTAINTY

The Budget revenue forecast assumes ongoing moderate economic growth. Since April 2025, the recovery in the stock market, strong tax receipts, and more positive economic data than previously projected support the assumptions of ongoing revenue growth. However, several risk factors could negatively impact the economy and state revenue going forward. The dominant risks are stock market and asset price declines, shocks that disproportionately impact high-income earners, and unpredictable federal policy, including continued uncertainty regarding tariffs and immigration, as well as their impact on inflation, the labor market, investment, and overall demand.

California's revenue is significantly impacted by the stock market due to the state's progressive personal income tax structure and reliance on high-income earners. Lower stock market levels directly affect the personal income tax through reduced capital gains income, nonresident income, fiduciary income, and stock-based compensation in withholding. Additionally, lower stock market levels indirectly affect other personal income tax sources and corporate profits. As of the end of November when the revenue forecast was finalized, the valuation of U.S. stocks was near or above historical highs by various measures, such as the total value of U.S. stock compared to the country's economic output and market prices compared to average earnings over the last decade. Further, stock market gains have been disproportionately driven by large technology companies benefiting from the artificial intelligence boom. Given the stock market's gains are largely concentrated in a few companies whose stock prices have benefitted from the expected value of the same new technology, the stock market could be vulnerable to a significant downturn if returns on investment in artificial intelligence fall short of lofty expectations. If a significant market downturn were sustained, it would negatively impact state revenue through multiple channels. If a market downturn of more than 20 percent—comparable to the decline in 2022—were to occur in 2026 and be sustained through the end of the year, revenue could be $25 billion to $30 billion below forecast within the budget window, even if there were no economic recession. If coupled with an economic recession, revenue would be even lower.

TAX PROPOSALS

The Budget includes the following tax proposals as described below.

REQUIRE DELIVERY NETWORK COMPANIES TO REGISTER AS MARKETPLACE FACILITATORS

Under current law, businesses operating large online marketplaces are designated as marketplace facilitators and are required to collect and remit sales tax on behalf of third-party sellers that use their platform to sell goods and services. However, Delivery Network Companies (DNCs)—businesses that specifically facilitate the delivery of local goods such as prepared food—are exempted from this requirement and may elect whether to be treated as a marketplace facilitator for tax purposes. The Budget proposes that California align with most other states by removing the election and instead requiring DNCs with at least $500,000 in annual sales within California through their platform to register as marketplace facilitators beginning January 1, 2027. As a result, the responsibility for sales tax collection will shift from tens of thousands of smaller businesses using the DNC platforms to a much smaller number of large DNCs, which reduces tax compliance burdens for smaller businesses using the platforms and increases overall tax compliance. This proposal is estimated to increase General Fund sales tax revenue by $10 million in 2026-27 and by $20.1 million per year beginning in 2027-28 due to improved taxpayer compliance.

SUSTAINABLE AVIATION FUEL

The Budget includes a tax credit against diesel excise tax liability to incentivize the in-state production of sustainable aviation fuel, a lower-carbon alternative to petroleum-based jet fuel. This investment advances California's climate and air quality goals by reducing emissions from the aviation sector, one of the most difficult sources to decarbonize, while supporting innovation and private investment in clean transportation fuels.

EXTENSION OF CALIFORNIA COMPETES TAX CREDIT

The California Competes (CalCompetes) Tax Credit, in effect since 2014, incentivizes businesses to locate or stay in California, and thus to invest, grow, and create quality full-time jobs in the state. Under current law, the CalCompetes Tax Credit program is scheduled to sunset after 2027-28. The Budget proposes to extend the CalCompetes Tax Credit program at its current level of $180 million in annual allocations for five years through 2032-33.

DEMOGRAPHIC INFORMATION

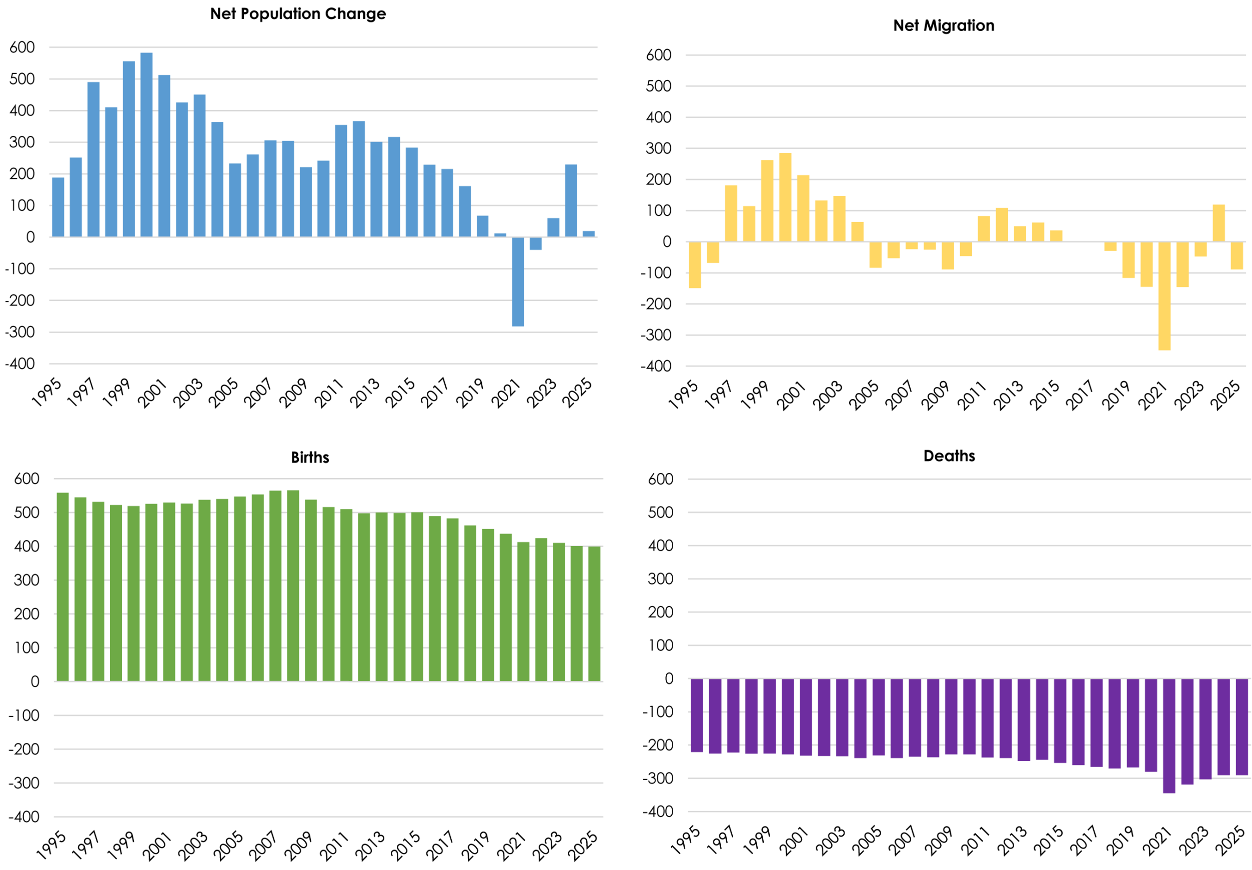
Despite the challenges posed by federal immigration policies and ongoing housing affordability issues, the state's overall demographic trends remain strong and underscore California's ongoing status as a national leader: one of just a half-dozen large states with more births than deaths (natural increase), above-average health, and a preferred destination for educated migrants seeking new opportunities.

LATEST POPULATION ESTIMATE

California's population was an estimated 39.5 million as of July 1, 2025, up 19,000 persons or 0.05 percent from July 1, 2024. This increase continues the state's recovery to positive growth following several years of COVID-era population declines driven by disruptions to migration, mobility, and mortality patterns.

Before the COVID-19 Pandemic, California's population growth generally mirrored the slowdown seen nationwide, decelerating from more than 1 percent annually in the early 2000's to 0.1 percent in 2019. Slow population growth in the state is due largely to declining births correlated with changes in education, marriage, and work decisions, as well as increasing deaths from an aging population and domestic out-migration limiting gains from domestic in-migration and immigration. These long-term demographic dynamics continue to shape the state's post-pandemic outlook.

California Components of Population Change: 1995-2025
(Values in Thousands)



Source: California Department of Finance, 2026-27 Governor's Budget Forecast.

Foreign immigration dropped to 20,000 in 2020-21 but rebounded to pre-pandemic levels of approximately 259,000 in 2023-24, offsetting most of the domestic out-migration during that time. Due to recent federal actions, foreign immigration is estimated to have dropped to 126,000 in 2024-25. The number of people moving out of California to other states, meanwhile, has exceeded the number moving in from other states for over 20 years, with net domestic migration estimated at -216,000 in 2024-25, largely in line with pre-pandemic levels. While foreign immigration historically offset most of the domestic out-migration, the slowdown in legal immigration under the current administration has slowed overall population growth from 230,000 or 0.58 percent in 2023-24 to just 19,000 or 0.05 percent in 2024-25. Natural increase contributed an increase of 108,000 persons in 2024-25 as births are stable and deaths have returned to the state's pre-pandemic trends.

Regionally, many inland counties continued to see growth, extending a trend that began in 2016 and was accelerated by the pandemic. Some coastal counties, however, experienced declines in growth in 2024-25 as the flow of international migrants slowed and previous migrants moved to other areas. Los Angeles is notable as the county's population had the largest numeric decline of almost 28,500 persons in 2024-25. While lower immigration contributes to this decline, most of the decrease is driven by higher domestic migration resulting from wildfires, especially the Palisades and Eaton fires, which rank as the third- and fourth-most destructive fires in the state's history, destroying approximately 12,500 homes.

POPULATION PROJECTIONS

California's population is projected to increase at an average annual rate of approximately 0.16 percent through 2050, when it is expected to reach a peak of 40.8 million before slowly declining to 39.5 million by 2070. This is about 1.7 million fewer residents in 2070 than projected in the Governor's Budget in January 2025, due largely to lower levels of immigration.

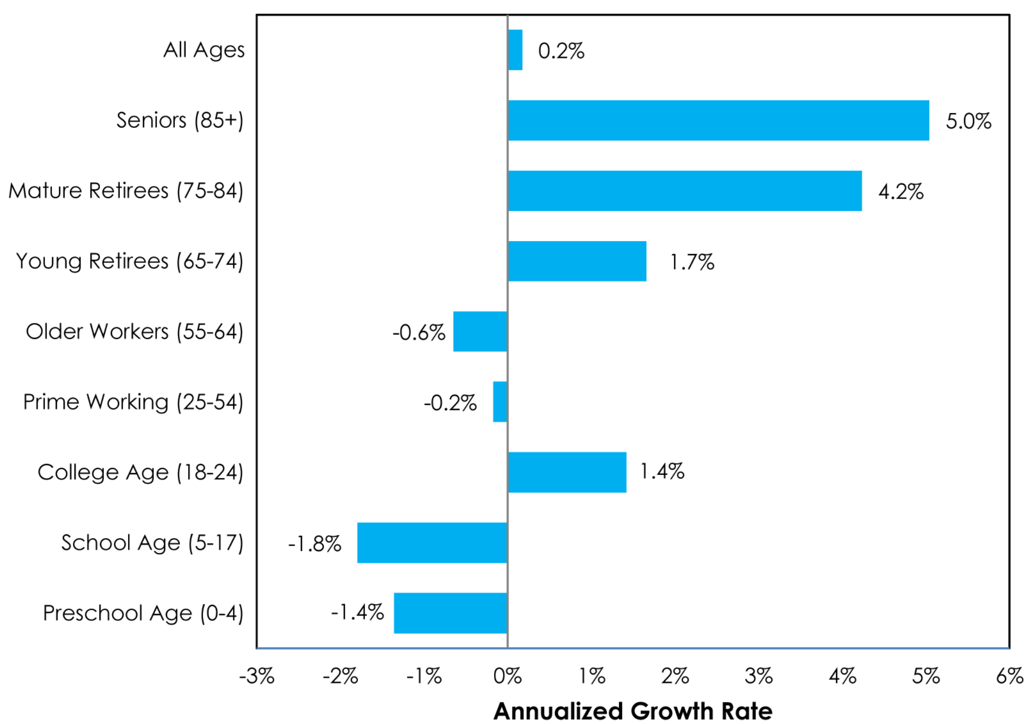
While fertility and mortality assumptions are generally unchanged from that previous series, migration assumptions were updated to reflect the new policies of the current federal administration. Annual net international migration is now assumed to be in the range of 125,000 to 140,000 annually from 2025 to 2070, a decrease of around 60,000 from a range of 170,000 to 210,000 in the previous series. While a significant change, the projected immigration is comparable to levels of the last decade, when net immigration ranged from 123,000 to 162,000 and the current federal administration was in office for part of that time. Actual immigration, however, could be much lower over the next several years due to significant deportations as well as additional limits on immigration, recent changes to the H-1B visa program, and long-term damage to the United States' image among potential immigrants. However, available data does not yet support a downgrade beyond what is reflected in the current series.

Commensurate with less international in-migration, domestic out-migration was lowered such that net domestic flows average about -70,000 per year rather than -100,000 per year from 2025 to 2070. The net result of these changes is a slightly lower California population growth, averaging about 0.02 percent annually from 2025 to 2070, a reduction of about 0.09 percentage point from the previous series.

UNEVEN GROWTH BY AGE GROUP

The age structure of the California population continues to shift in ways seen across much of the developed world. While the overall population is projected to grow at an annualized rate of 0.2 percent from 2025 to 2030, growth is expected to vary significantly across age groups as shown in the California Population Growth Rate by Age Group figure. Population growth is expected to be driven by California's aging population (increasing 65,000 per year on average from 2025 to 2030) and a boost from college-aged population (increasing 60,000 per year), while the state's under-18 age cohort (decreasing 139,000 per year) and working-age population (prime working age decreasing by 27,000 per year and older workers decreasing by 30,000 per year) are projected to decline. The under-18 age cohort is projected to continue to decline due to lower birth rates in recent years. The retirement-age population, those 65 and older, is projected to continue to grow, with the highest growth rates expected among the oldest cohorts (75 to 85 and 85 and older) as the early Baby-Boomer cohort enters these age groups. The college-aged population is projected to experience a slight increase of 1.3 percent annualized growth through 2030 as California is expected to continue to be an attractive destination for educational and working opportunities.

California Population Growth Rate by Age Group (2025-2030)

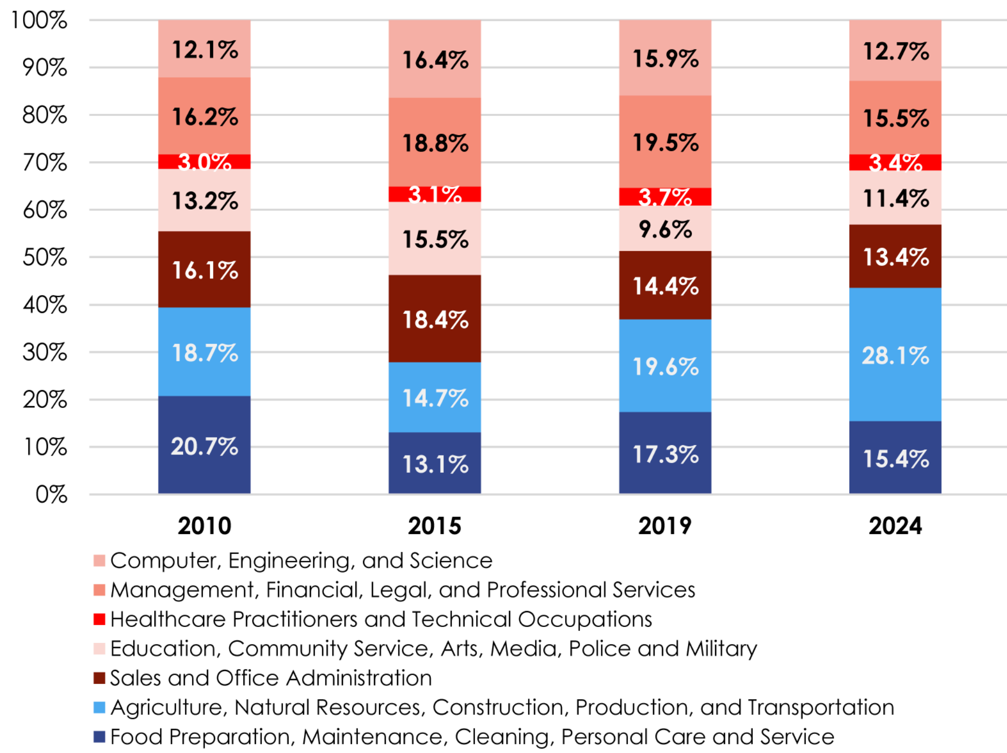


Source: California Department of Finance, 2026-27 Governor's Budget Forecast.

THE IMPACT OF IMMIGRATION

Despite low fertility, the working age population is expected to remain relatively stable so long as California continues to attract young adults from across the country and around the world. Over half of the children born in California today have at least one foreign-born parent, underscoring migration's impact on the state's population growth and future workforce. Immigration has also mitigated the effects of an aging population, as new arrivals to California in prime working ages make up for fewer children born in the state. The state attracts both relatively high and low-skilled workers and relatively fewer in the middle (see figure on Occupations of California Immigrants).

Occupations of California Immigrants
(Age 16 and Older, Worked in the Last 5 Years)



Over the past decade the distribution of immigrants by occupation has seen an increase in traditional agriculture and construction sectors (increasing its share of total immigrants from 15 percent in 2015 to 28 percent in 2024) away from the telecommunications, information technology, and professional services sectors whose combined share have declined from 72 percent in 2015 to 56 percent in 2024. These changes are driven by economic needs and the relative skills of incoming immigrants. Overall, the occupations held by recent immigrants appear to more closely follow those of the 2005-2010 time period rather than more recent trends.

California remains home to over 10 million foreign-born residents, most of whom are long settled in the state, with nearly three-quarters having arrived before 2000. Although historically most immigration to California came from Mexico and Latin America, the pattern has changed over the last decade as new migrants arrived from a more diverse set of countries, especially across Asia. The education profile of immigrants has also shifted. In 1990, most immigrants arrived in California as young adults and with minimal education. In 2024, nearly 50 percent of immigrants have a bachelor's degree or higher, although 23 percent have not completed high school.

Risks

While this current series of population projections is already downgraded due to lower assumed immigration, the lower level of foreign in-migration associated with current federal policy could decline further than expected due to additional restrictions on legal migration and enhanced policies concerning undocumented migration. Immigration accounts for nearly 50 percent of the state's overall population growth in any given year; therefore larger-than-expected declines in immigration would likely create conditions for population losses within a year. Moreover, the risk of sustained negative growth is heightened over the next decade as increased deportations would affect undocumented immigrants and likely lead to the emigration of related family members, including those with legal documentation. Such policies as well as others, including restrictions on international students, could do long-term damage to the United States' historic reputation as a desirable destination for immigrants of all types.

Beyond migration, there are several other policy risks that might affect the state's population because of their effect on mortality or fertility. For example, the loss of Affordable Care Act subsidies could lead to greater mortality due to more expensive and less accessible health care, as well as an increase in the number of people with pre-existing conditions who lose health coverage. While members of the federal administration have discussed potential policies to incentivize more births, such efforts have generally had little effect on birthrates and might be offset by other proposed federal actions.

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APPENDICES AND SCHEDULES

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Budget Process Overview

The Governor's Budget is the result of a process that begins more than one year before the Budget becomes law. When presented to the Legislature on or before January 10 each year, the Governor's Budget incorporates revenue and expenditure estimates based upon the most current information available through early to mid-December. In the event the Governor would like to change the Budget presented to the Legislature, including adjustments resulting from changes in population, caseload, or enrollment estimates, the Department of Finance proposes adjustments to the Legislature during budget hearings through Finance Letters in the spring. In May, Finance submits revised revenue and expenditure estimates for both the current and budget years to the Legislature. This update process is referred to as the May Revision. Finance also prepares monthly economic and cash revenue updates during the fiscal year. The list below describes the key documents used in the budget process.

Title	Purpose	Prepared/Issued by	When
Budget Letters	Convey the Administration's guidelines for budget preparation to agencies and departments.	Governor/Finance	January through December
Budget Change Proposals	Documents that propose to modify or change the existing level of service, propose new programs, or remove existing programs.	Agencies and departments submit to Finance analysts for review.	August and September
Governor's Budget	Governor's proposed budget for the upcoming fiscal year.	Governor/Finance	January 10
Governor's Budget Summary	A narrative summary of the Governor's proposed budget.	Governor/Finance	January 10
Budget Bill	Requests spending authorization to carry out the Governor's expenditure plan (serves as a legislative budget decision document).	Finance/Legislature	January 10
Multi-Year Projection	Estimated General Fund revenues and expenditures for the ensuing fiscal year and the three fiscal years thereafter, as required by Section 12.5 of Article IV of the California Constitution.	Finance	January, May, and Budget Enactment
Analysis of the Budget	Analysis of the Budget, including recommendations for changes to the Governor's Budget.	Legislative Analyst's Office	February
May Revision	Update of General Fund revenues, expenditures, and reserve estimates based on the latest economic forecast, and changes in population, caseload, or enrollment estimates.	Finance	Mid-May
Budget Act	The primary annual expenditure authorization, as approved by the Governor and Legislature, including a listing of the Governor's vetoes, if any.	Legislature/Governor	Late June or upon enactment of the Budget
Final Budget Summary	Update of the individual Budget Act items of appropriation, with changes by the Governor's vetoes, and includes certain budget summary schedules.	Finance	Summer/Fall
Final Change Book Report	Update of changes to the detailed fiscal information in the Governor's Budget.	Finance	Summer/Fall

Adjustments in Accounting Methods and Prior Year Fund Balances

Government Code section 13344 requires the Department of Finance to note any adjustments of prior year fund balances and accounting methods in the Governor's Budget or related documents. This requirement is to achieve the closest possible comparability of the Governor's Budget with the State Controller's Budgetary-Legal Basis Annual Report.

Accounting Methods

No major changes have been implemented or proposed since last year's report.

Prior Year Fund Balances

Government Code section 13344 requires every state agency to prepare and maintain financial and accounting data for inclusion in the Governor's Budget, Budget Act and related documents, and the State Controller's Budgetary-Legal Basis Annual Report, according to the methods and bases provided in regulations, budget letters, and other directives of Finance. Consistent with this requirement, Finance has continued its efforts in instructing and assisting departments in reconciling special funds between the Governor's Budget documents departments provide to Finance and the year-end financial statements they provide to the State Controller's Office. Departments that are the designated fund administrators continue to be primarily responsible for the reconciliation, and Finance works closely with them to ensure this is or will be completed for all special funds. Special fund balances included in the Governor's Budget have been reconciled using the best information available at the time. However, final balances for the Budgetary-Legal Basis Annual Report and certain actual revenue or expenditure amounts are not available during the preparation of the Governor's Budget. Therefore, there will be some remaining variances in the spring when final balances become available. Finance will follow up on the efforts in the spring to evaluate if additional budget changes are necessary.

Statewide Financial Information

Provides various statewide displays of financial information included in the Budget that may be the most useful to the public, private sector, or other levels of government. Each statewide display includes a description of the information included.

Schedule 1 General Budget Summary—Total statewide revenues and expenditures for the General Fund and special funds, and expenditure totals for selected bond funds.

Schedule 2 Summary of State Tax Collections—State tax collections per capita and per $100 of personal income.

Schedule 3 Comparative Yield of State Taxes—Revenues for major state taxes for General Fund and special funds.

Schedule 4 Position and Salary Cost Estimates—Position data and corresponding dollar amounts.

Schedule 5B Actual Past Fiscal Year Cash Flow—Actual receipts, disbursements, borrowable resources, and cash flow loan balances for the last fiscal year.

Schedule 5C Estimated Current Fiscal Year Cash Flow—Projected receipts, disbursements, borrowable resources, and cash flow loan balances for the current fiscal year.

Schedule 5D Estimated Budget Fiscal Year Cash Flow—Projected receipts, disbursements, borrowable resources, and cash flow loan balances for the next fiscal year.

Schedule 6 Summary of State Population, Employees, and Expenditures—Historical data of state population, employees, personal income, revenues, and expenditures.

Schedule 8 Comparative Statement of Revenues—Detail of General Fund and special fund revenues by source for the past, current, and budget years within the following categories: (1) major taxes and licenses, (2) minor revenues, and (3) transfers and loans.

Schedule 9 Comparative Statement of Expenditures—Detail of General Fund, special fund, selected bond fund, and federal fund expenditures included in the Governor's Budget by the following categories: (1) State Operations, (2) Local Assistance, (3) Capital Outlay, and (4) Unclassified.

Schedule 10 Summary of Fund Condition Statements—A listing in numerical order of the beginning reserve, revenues, expenditures, and ending reserve for the General Fund and each special fund for the past, current, and budget years.

Schedule 11 Statement of General Obligation Bond and Commercial Paper Debt of the State of California—List of all general obligation bonds, including: maturity dates, authorized amount of bond issues, amounts of unissued bonds, redemptions, and outstanding issues, as well as authorized and outstanding commercial paper.

Schedule 12A State Appropriations Limit Summary—Summary of Schedules 12B through 12E provides a calculation of the appropriations subject to the State Appropriations Limit and the Limit Room.

Schedule 12B Revenues to Excluded Funds—List of revenues in special funds NOT included in the calculation of total appropriations subject to the State Appropriations Limit.

Schedule 12C Non-Tax Revenues in Funds Subject to Limit—Total of non-tax General and special fund revenues deposited in funds that are otherwise included in the calculation of total appropriations subject to the State Appropriations Limit.

Schedule 12D State Appropriations Limit Transfer from Other Funds to Included Funds—Detail of transfers between funds that are used in calculating the appropriations subject to the State Appropriations Limit.

Schedule 12E State Appropriations Limit Excluded Appropriations—Exclusions from appropriations subject to the State Appropriations Limit.

Schedule 13 Proposition 98 Final Certification—Factors, data, and calculations used to certify the prior year Proposition 98 funding level pursuant to Chapter 39, Statutes of 2018.

SCHEDULE 1 AT 2026-27 GOVERNOR'S BUDGET
GENERAL BUDGET SUMMARY

(In Thousands)

		Reference to Schedule	General Fund	Special Funds	Selected Bond Fund Expenditures	Expenditure Totals
2024-25						
Prior year resources available		10	$52,872,060	$62,443,603		
Revenues and transfers		8	232,309,321	80,957,896		
Expenditures		9	229,230,663	87,700,236	$2,219,873	$319,150,772
Fund Balance		10	**$55,950,718**	**$55,701,263**		
Reserve for Liquidation of Encumbrances	[2/]		*27,997,953*	--		
Reserves for Economic Uncertainties	[3/]		--	*55,701,263*		
Special Fund for Economic Uncertainties	[3/]		*27,952,765*	--		
Budget Stabilization Account			*18,427,422*	--		
Safety Net Reserve Fund			--	--		
Public School System Stabilization Account			*3,845,082*	--		
2025-26						
Prior year resources available		10	$55,950,718	$55,701,263		
Revenues and transfers		8	235,162,379	78,656,799		
Expenditures		9	237,661,888	94,561,262	$10,180,497	$342,403,647
Fund Balance		10	**$53,451,209**	**$39,796,800**		
Reserve for Liquidation of Encumbrances	[2/]		*27,997,953*	--		
Reserves for Economic Uncertainties	[3/]		--	*39,796,800*		
Special Fund for Economic Uncertainties	[3/]		*25,453,256*	--		
Budget Stabilization Account			*11,327,422*	--		
Safety Net Reserve Fund			--	--		
Public School System Stabilization Account			*4,509,414*	--		
2026-27						
Prior year resources available		10	$53,451,209	$39,796,800		
Revenues and transfers		8	227,385,219	95,340,816		
Expenditures		9	248,330,128	93,655,541	$6,947,889	$348,933,558
Fund Balance		10	**$32,506,300**	**$41,482,075**		
Reserve for Liquidation of Encumbrances	[2/]		*27,997,953*	--		
Reserves for Economic Uncertainties	[3/]		--	*41,482,075*		
Special Fund for Economic Uncertainties	[3/]		*4,508,347*	--		
Budget Stabilization Account			*14,350,422*	--		
Safety Net Reserve Fund			--	--		
Public School System Stabilization Account			*4,102,343*	--		

Note: Totals may not add due to rounding.

[1/] The General Budget Summary includes the revenues and expenditures of all the state funds that reflect the cost of state government and selected bond fund expenditures. The transactions involving other non-governmental cost funds are excluded.

[2/] The Reserve for Liquidation of Encumbrances represents an amount which will be expended in the future for state obligations for which goods and services have not been received at the end of the fiscal year. This reserve treatment is consistent with the accounting methodology prescribed by Generally Accepted Accounting Principles (GAAP) and Government Code Sections 13306 and 13307.

[3/] The Special Fund for Economic Uncertainties and the Reserves for Economic Uncertainties are reserve accounts for the General Fund and special funds, respectively, as provided by Section 5 of Article XIII B of the California Constitution.

SCHEDULE 2 AT 2026-27 GOVERNOR'S BUDGET
SUMMARY OF STATE TAX COLLECTIONS

(Excludes Departmental, Interest, and Miscellaneous Revenue)

Fiscal Year Beginning	Per Capita Personal Income[1/, 2/]	State Tax Collections (Dollars in Millions) General Fund	State Tax Collections (Dollars in Millions) Total	Taxes per Capita[1/] General Fund	Taxes per Capita[1/] Total	Taxes per $100 of Personal Income[3/] General Fund	Taxes per $100 of Personal Income[3/] Total
1967	$3,870	$3,558	$4,676	$185.55	$243.86	$4.80	$6.30
1968	4,189	3,963	5,173	203.94	266.21	4.87	6.36
1969	4,668	4,126	5,409	208.96	273.94	4.48	5.87
1970	4,962	4,290	5,598	214.08	279.36	4.31	5.63
1971	5,210	5,213	6,597	256.22	324.24	4.92	6.22
1972	5,652	5,758	7,231	279.72	351.28	4.95	6.21
1973	6,116	6,377	7,877	305.57	377.45	5.00	6.17
1974	6,722	8,043	9,572	379.85	452.06	5.65	6.73
1975	7,306	9,050	10,680	420.19	495.87	5.75	6.79
1976	7,953	10,781	12,525	491.48	570.98	6.18	7.18
1977	8,660	12,951	14,825	579.41	663.25	6.69	7.66
1978	9,656	14,188	16,201	621.30	709.45	6.43	7.35
1979	10,750	16,904	19,057	726.83	819.41	6.76	7.62
1980	11,933	17,808	20,000	748.80	840.97	6.27	7.05
1981	13,131	19,053	21,501	784.78	885.62	5.98	6.74
1982	13,738	19,567	22,359	788.83	901.39	5.74	6.56
1983	14,549	22,300	25,674	880.14	1,013.30	6.05	6.96
1984	15,880	25,515	29,039	988.34	1,124.85	6.22	7.08
1985	16,790	26,974	30,898	1,021.63	1,170.25	6.08	6.97
1986	17,604	31,331	35,368	1,158.18	1,307.41	6.58	7.43
1987	18,529	31,228	35,611	1,126.67	1,284.81	6.08	6.93
1988	19,652	35,647	40,613	1,255.49	1,430.39	6.39	7.28
1989	20,623	37,248	43,052	1,278.16	1,477.32	6.20	7.16
1990	21,579	36,828	43,556	1,234.66	1,460.21	5.72	6.77
1991	21,825	40,072	48,856	1,315.62	1,604.01	6.03	7.35
1992	22,627	39,197	48,230	1,264.93	1,556.44	5.59	6.88
1993	22,929	38,351	48,941	1,224.72	1,562.90	5.34	6.82
1994	23,498	41,099	50,648	1,303.75	1,606.67	5.55	6.84
1995	24,566	44,825	54,805	1,413.51	1,728.20	5.75	7.03
1996	25,920	47,955	58,400	1,500.33	1,827.10	5.79	7.05
1997	27,152	53,859	64,826	1,659.61	1,997.56	6.11	7.36
1998	29,215	58,199	69,724	1,770.96	2,121.65	6.06	7.26
1999	30,602	70,027	81,773	2,095.45	2,446.93	6.85	8.00
2000	33,162	75,668	88,147	2,225.47	2,592.50	6.71	7.82
2001	33,882	62,679	73,295	1,816.12	2,123.70	5.36	6.27
2002	33,982	64,879	75,420	1,856.95	2,158.65	5.46	6.35
2003	35,056	70,229	81,628	1,984.49	2,306.60	5.66	6.58
2004	36,785	80,070	93,764	2,239.55	2,622.57	6.09	7.13
2005	38,568	90,468	105,860	2,514.02	2,941.74	6.52	7.63
2006	41,196	93,237	109,390	2,572.28	3,017.93	6.24	7.33
2007	42,714	95,290	111,778	2,606.95	3,058.01	6.10	7.16
2008	43,094	79,398	95,020	2,154.26	2,578.12	5.00	5.98
2009	41,530	84,537	99,284	2,280.02	2,677.76	5.49	6.45
2010	43,090	89,910	106,942	2,406.38	2,862.20	5.58	6.64
2011	45,445	82,850	106,351	2,197.41	2,820.70	4.84	6.21
2012	47,687	95,444	119,798	2,508.01	3,147.96	5.26	6.60
2013	48,011	101,187	127,388	2,639.02	3,322.36	5.50	6.92
2014	50,608	112,158	139,983	2,902.27	3,622.29	5.73	7.16
2015	53,890	117,083	144,154	3,008.79	3,704.47	5.58	6.87
2016	55,999	122,029	147,731	3,118.73	3,775.59	5.57	6.74
2017	58,355	134,074	164,551	3,409.04	4,183.96	5.84	7.17
2018	61,076	142,581	176,293	3,611.84	4,465.81	5.91	7.31
2019	64,249	142,639	172,684	3,608.42	4,368.46	5.62	6.80
2020	70,072	184,134	221,181	4,657.17	5,594.18	6.65	7.98
2021	76,671	219,280	260,793	5,568.47	6,622.66	7.26	8.64
2022	77,154	174,287	214,977	4,450.20	5,489.17	5.77	7.11
2023	81,223	188,387	229,598	4,807.56	5,859.26	5.92	7.21
2024[e/]	86,408	209,869	252,340	5,333.28	6,412.57	6.17	7.42
2025[e/]	90,518	218,765	262,925	5,531.74	6,648.37	6.11	7.34
2026[e/]	94,189	225,891	270,988	5,709.97	6,849.90	6.06	7.27

[1/] Per capita computations are based on July 1 population estimates, benchmarked on the 2020 Census.

[2/] Personal income data are on a calendar year basis (e.g., 2022 for 2022-23).

[3/] Taxes per $100 personal income computed using calendar year personal income (e.g. 2022 income related to 2022-23 tax collections).

[e/] Estimated.

SCHEDULE 3 AT 2026-27 GOVERNOR'S BUDGET
COMPARATIVE YIELD OF STATE TAXES, 1970-71 THROUGH 2026-27
Includes both General and Special Funds

(Dollars in Thousands)

Fiscal Year Beginning	Sales and Use[1/]	Personal Income[2/]	Corporation[3/]	Tobacco[4/]	Estate Inheritance and Gift[5/]	Insurance[6/]	Alcoholic Beverage[7/]	Motor Vehicle Fuel[8/]	Vehicle Fees[9/]	Cannabis Excise[10/]
1970	$1,808,052	$1,264,383	$532,091	$239,721	$185,699	$158,423	$106,556	$674,635	$513,202	
1971	2,015,993	1,785,618	662,522	247,424	220,192	170,179	112,091	712,426	547,845	
1972	2,198,523	1,884,058	866,117	253,602	260,119	179,674	114,884	746,196	596,922	
1973	2,675,738	1,829,385	1,057,191	258,921	231,934	201,697	119,312	742,702	644,448	
1974	3,376,078	2,579,676	1,253,673	261,975	242,627	202,991	120,749	752,234	664,453	
1975	3,742,524	3,086,611	1,286,515	268,610	316,648	241,224	125,313	766,555	749,936	
1976	4,314,201	3,761,356	1,641,500	269,384	367,964	322,476	127,485	810,321	807,782	
1977	5,030,438	4,667,887	2,082,208	273,658	365,092	387,560	132,060	850,181	924,410	
1978	5,780,919	4,761,571	2,381,223	268,816	416,955	420,184	140,059	896,591	1,021,856	
1979	6,623,521	6,506,015	2,510,039	290,043	465,611	446,228	138,940	852,752	1,096,640	
1980	7,131,429	6,628,694	2,730,624	278,161	530,185	460,926	142,860	839,994	1,127,293	
1981	7,689,023	7,483,007	2,648,735	276,824	482,300	454,984	139,523	833,446	1,373,354	
1982	7,795,488	7,701,099	2,536,011	271,621	517,875	736,929	136,209	928,633	1,614,993	
1983	8,797,865	9,290,279	3,231,281	263,231	236,452	457,490	137,433	1,213,167	1,906,290	
1984	9,797,564	10,807,706	3,664,593	262,868	296,805	643,139	135,786	1,159,637	2,137,326	
1985	10,317,930	11,413,040	3,843,024	258,141	252,810	839,939	132,262	1,194,172	2,515,295	
1986	10,904,022	13,924,527	4,800,843	255,076	273,089	1,008,804	131,288	1,245,881	2,692,835	
1987	11,650,531	12,950,346	4,776,388	250,572	304,148	1,158,321	128,734	1,293,254	2,966,334	
1988	12,650,893	15,889,179	5,138,009	559,617	335,091	1,317,630	128,264	1,320,512	3,142,484	
1989	13,917,771	16,906,568	4,965,389	787,076	388,527	1,167,684	128,524	1,349,146	3,305,711	
1990	13,839,573	16,852,079	4,544,783	745,074	498,774	1,287,152	129,640	1,999,771	3,513,159	
1991	17,458,521	17,242,816	4,538,451	726,064	446,696	1,167,307	321,352	2,457,229	4,369,862	
1992	16,598,863	17,358,751	4,659,950	677,846	458,433	1,188,181	292,107	2,412,574	4,470,321	
1993	16,857,369	17,402,976	4,809,273	664,322	552,139	1,196,921	275,797	2,547,633	4,518,795	
1994	16,273,800	18,608,181	5,685,618	674,727	595,238	998,868	268,957	2,685,731	4,749,594	
1995	17,466,584	20,877,687	5,862,420	666,779	659,338	1,131,737	269,227	2,757,289	5,009,319	
1996	18,424,355	23,275,990	5,788,414	665,415	599,255	1,199,554	271,065	2,824,589	5,260,355	
1997	19,548,574	27,927,940	5,836,881	644,297	780,197	1,221,285	270,947	2,853,846	5,660,574	
1998	21,013,674	30,894,865	5,724,237	976,513	890,489	1,253,972	273,112	3,025,226	5,610,374	
1999	23,451,570	39,578,237	6,638,898	1,216,651	928,146	1,299,777	282,166	3,069,694	5,263,245	
2000	24,287,928	44,618,532	6,899,322	1,150,869	934,709	1,496,556	288,450	3,142,142	5,286,542	
2001	23,816,406	33,046,665	5,333,036	1,102,807	915,627	1,596,002	292,627	3,295,903	3,836,904	
2002	24,899,025	32,709,761	6,803,559	1,055,505	647,372	1,879,784	290,564	3,202,512	3,889,602	
2003	26,506,911	36,398,983	6,925,916	1,081,588	397,848	2,114,980	312,826	3,324,883	4,415,126	
2004	29,967,136	42,992,007	8,670,065	1,096,224	213,036	2,232,955	314,252	3,366,142	4,873,705	
2005	32,201,082	51,219,823	10,316,467	1,088,703	3,786	2,202,327	318,276	3,393,381	5,078,529	
2006	32,669,175	53,348,766	11,157,898	1,078,536	6,348	2,178,336	333,789	3,399,694	5,147,341	
2007	31,972,874	55,745,970	11,849,097	1,037,287	6,303	2,172,936	327,260	3,351,268	5,212,811	
2008	28,972,302	44,355,959	9,535,679	1,000,456	245	2,053,850	323,934	3,162,299	5,566,642	
2009	31,197,154	45,650,901	9,114,589	922,986	0	2,180,786	311,242	3,149,144	6,726,967	
2010	30,996,372	50,507,989	9,613,594	905,245	0	2,307,022	334,178	5,705,528	6,558,121	
2011	28,542,238	55,449,292	7,233,000	895,677	0	2,416,073	346,000	5,544,530	5,907,866	
2012	31,007,290	66,809,000	7,782,947	868,703	0	2,242,379	357,000	5,492,850	5,864,814	
2013	34,163,864	68,306,264	9,092,696	833,127	0	2,362,738	354,297	6,065,748	6,226,553	
2014	35,263,084	77,929,551	9,416,779	832,379	0	2,444,573	357,373	5,713,698	6,510,898	
2015	35,936,588	80,541,269	10,459,561	840,034	0	2,561,932	368,699	5,003,317	6,833,037	
2016	35,360,401	85,021,043	11,019,780	1,235,605	0	2,422,105	368,345	4,845,821	7,192,680	
2017	36,137,388	95,865,692	12,312,596	2,145,003	0	2,569,271	376,059	6,355,007	8,578,311	83,869
2018	37,903,457	100,958,015	14,062,543	2,052,204	0	2,722,787	377,662	7,561,080	9,880,258	261,149
2019	37,083,771	101,866,478	13,953,804	1,966,609	0	3,134,591	382,745	7,801,021	9,769,018	490,915
2020	41,874,019	131,966,930	22,590,587	1,969,042	0	3,139,292	414,634	7,814,218	10,682,014	770,380
2021	47,830,300	142,090,334	45,128,400	1,831,959	0	3,494,540	431,363	8,459,159	10,757,060	812,980
2022	48,897,975	103,498,100	36,336,922	1,621,734	0	3,707,199	420,539	8,657,370	11,345,317	537,343
2023	48,665,214	117,945,208	35,456,402	1,382,010	0	3,966,362	418,350	9,238,899	11,941,272	629,373
2024[e/]	48,879,567	133,648,105	41,338,259	1,222,243	0	4,298,323	414,268	9,407,121	12,628,103	589,795
2025[e/]	50,018,107	142,296,320	41,701,838	1,140,053	0	4,369,552	416,922	9,611,584	12,803,624	612,426
2026[e/]	50,952,950	146,823,274	43,527,691	1,100,041	0	4,612,163	419,012	9,797,584	13,201,833	598,457

[1/] Includes the 0.5 percent Local Revenue Fund, the 1.0625 percent Local Revenue Fund 2011, and the state sales tax rate of 6 percent from April 1, 2009 to June 30, 2011. Includes the 0.25 percent sales tax, effective July 1, 2004 through December 31, 2015, for repayment of economic recovery bonds. Includes passage of Proposition 30, which increased the General Fund sales tax rate from January 1, 2013 to December 31, 2016.

[2/] Includes the revenue for a 1-percent surcharge on taxable incomes over $1 million, with proceeds funding mental health programs. Includes the 0.25-percent surcharge and reduced dependent exemption credit effective for tax years 2009 and 2010. Also includes the impact of Propositions 30 and Proposition 55, which establishes three additional brackets for tax years 2012 through 2030. Includes -$18.3 billion for 2021-22, -$14.8 billion for 2022-23, -$16.1 billion for 2023-24 -$17.2 billion for 2024-25, -$16.6 billion for 2025-26, and -$17 billion for 2026-27 for tax credits related to the Pass-Through-Entity Elective Tax (PTET).

[3/] Includes the corporation tax, corporation income tax, LLC fees, and minimum franchise tax for corporations, partnerships, LLCs, and LLPs. From 1989 to 1997, it included the unitary election fee. Includes impact of Proposition 39 beginning in tax year 2012. Includes impact of the limitation on credit and NOL usage for tax years 2020, 2021, and 2024 through 2026. Includes $20.5 billion in 2021-22, $16.9 billion in 2022-23, $17.2 billion in 2023-24, $17.5 billion in 2024-25, $15.9 billion in 2025-26, and $17.5 billion in 2026-27 for the PTET.

[4/] Proposition 99 (November 1988) increased the cigarette tax to $0.35 per pack and added an equivalent tax to other tobacco products. The Breast Cancer Act added $0.02 per pack effective 1/1/94. Proposition 10 (November 1998) increased the cigarette tax to $0.87 per pack and added the equivalent of $1.00 tax on other tobacco products. Proposition 56 (November 2016) increased the cigarette tax to $2.87 per pack, effective April 1, 2017, and added the equivalent of a $2.00 tax to other tobacco products, effective July 1, 2017. Proposition 56 also defined electronic cigarettes as other tobacco products for purposes of taxation. Reflects a new 12.5-percent retail tax on electronic cigarettes as of July 1, 2022. Reflects the flavor ban on cigarette and tobacco products, which was effective December 21, 2022.

[5/] The state's estate tax was phased out beginning in 2002 and fully repealed by 2005 due to changes in federal law that eliminated the state death tax credit.

[6/] Includes insurance gross premiums tax on Medi-Cal managed care plans through June 30, 2013, to provide interim funding for the Healthy Families and Medi-Cal programs. Includes a reduction for the managed care organizations tax of about $200 million per year from 2016-17 through 2018-19.

[7/] Alcoholic beverage excise taxes were increased effective July 15, 1991.

[8/] Motor vehicle fuel tax (gasoline) and use fuel tax (diesel and other fuels). The gasoline excise tax was 29.7 cents per gallon for the first four months of 2017-18, 41.7 cents for the next 20 months through 2018-19, 47.3 cents in 2019-20, and indexed annually for inflation thereafter. The diesel excise tax was 16 cents for the first four months of 2017-18, 36 cents through 2019-20, and annually indexed for inflation thereafter.

[9/] Registration and weight fees, motor vehicle license fees, and other fees. Includes revenue beginning in 2017-18 from a graduated fee at $25 to $175 per vehicle indexed to inflation and revenue beginning in 2020-21 from a $100 fee indexed to inflation for the renewal of zero-emission vehicles that are model year 2020 or newer.

[10/] As of January 1, 2018, Proposition 64 levied a new 15-percent retail tax on the sale of cannabis and a per-ounce tax on cannabis cultivation equal to $9.25 for flower, $2.75 for leaves, and $1.29 for plant, adjusted for inflation beginning in 2020. As of July 1, 2022, the cultivation tax was eliminated. The excise tax was increased to 19-percent on July 1, 2025 then reduced back to 15-percent on October 1, 2025.

[e/] Estimated.

SCHEDULE 4 AT 2026-27 GOVERNOR'S BUDGET
POSITION AND SALARY COST ESTIMATES

(Excludes Staff Benefits)

(Dollars in Thousands)

	Positions			Dollars		
	Actual 2024-25*	Estimated 2025-26*	Proposed 2026-27*	Actual 2024-25*	Estimated 2025-26*	Proposed 2026-27*
Executive						
Executive	14,592.8	14,613.9	14,614.3	$1,550,656	$1,568,714	$1,619,392
Business and Consumer Services	6,098.1	5,986.3	5,988.3	556,106	573,465	574,335
Housing and Homelessness	1,947.4	1,964.9	2,076.9	179,972	197,596	192,084
Transportation	43,076.0	42,393.4	42,365.4	5,030,295	5,067,936	4,975,371
Natural Resources	27,972.2	28,729.5	29,707.8	3,737,641	3,661,922	3,218,098
California Environmental Protection	7,996.9	7,743.1	7,868.2	901,772	918,557	915,344
Health and Human Services	37,852.3	37,162.6	37,449.4	3,784,217	3,789,372	3,787,567
Corrections and Rehabilitation	60,699.5	58,778.1	58,239.8	6,901,984	6,768,963	6,791,451
Education						
K thru 12 Education	3,047.5	3,024.2	3,056.2	268,276	294,055	299,503
Community Colleges/Other	422.2	445.0	449.0	51,687	53,714	54,132
Labor and Workforce Development	13,591.6	13,285.8	13,270.9	1,145,098	1,123,486	1,125,426
Government Operations	22,256.9	21,828.3	21,854.5	2,030,762	2,091,529	2,107,539
General Government	14,146.8	14,004.3	14,148.8	-2,003,144	1,318,735	1,590,290
SUBTOTAL, EXECUTIVE	**253,700.2**	**249,959.4**	**251,089.5**	**$24,135,322**	**$27,428,044**	**$27,250,532**
Higher Education						
University of California	127,118.4	178,285.0	178,285.0	$16,741,804	$22,759,417	$22,759,417
College of the Law, San Francisco	278.0	272.5	272.7	32,746	33,380	34,322
California State University	50,777.4	49,225.1	49,225.1	4,509,788	4,587,886	4,587,886
SUBTOTAL, HIGHER EDUCATION	**178,173.8**	**227,782.6**	**227,782.8**	**$21,284,338**	**$27,380,683**	**$27,381,625**
Legislative [1/]	799.0	779.0	779.0	$99,505	$103,040	$103,070
Judicial	2,177.2	2,180.2	2,198.2	409,684	409,744	409,425
GRAND TOTAL	**434,850.2**	**480,701.2**	**481,849.5**	**$45,928,849**	**$55,321,511**	**$55,144,652**

[1/] The number of positions includes 120 legislators, and the staff at the Legislative Counsel Bureau. The numbers do not include the Legislature's staff or the Legislative Analyst's Office. Certain benefits of the legislators are included in the dollars.

* Numbers may not add or match to other statements due to rounding of budget details.

SCHEDULE 5B AT 2026-27 GOVERNOR'S BUDGET
ACTUAL 2024-25 FISCAL YEAR CASH FLOW
GENERAL FUND
(Dollars in Millions)

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
BEGINNING CASH BALANCE	**$14,698**	**$6,621**	**$3,657**	**$9,467**	**$0**	**$0**	**$5,456**	**$11,658**	**$13,584**	**$9,117**	**$19,453**	**$21,683**	**$14,698**
RECEIPTS:													
Alcoholic Beverage Excise Ta	$44	$32	$33	$34	$40	$27	$49	$27	$26	$42	$34	$29	$417
Corporation Ta	1,368	326	3,011	224	75	8,870	3,702	356	3,980	5,396	1,380	10,735	39,423
Cigarette Ta	3	4	3	3	3	3	3	3	3	3	2	3	36
Inheritance, Gift and Estate Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0
Insurance Tax	89	501	392	88	481	433	56	45	411	871	600	297	4,264
Personal Income Ta	7,585	8,403	10,644	9,455	6,542	12,112	18,331	5,723	7,376	18,112	7,813	14,324	126,420
Retail Sales and Use Ta	1,194	4,184	2,659	1,423	3,565	3,429	1,588	4,176	2,520	1,316	4,256	3,285	33,595
Income from Pooled Money Investments	239	163	414	426	194	228	228	323	142	372	192	179	3,100
Transfer from Special Fund for Economic Uncertainties	0	0	0	92	20	0	205	0	0	13	0	19	350
Other	5,043	1,335	4,040	1,805	378	5,865	790	1,322	480	1,113	180	3,220	25,571
TOTAL, Receipts	**$15,565**	**$14,948**	**$21,196**	**$13,550**	**$11,299**	**$30,968**	**$24,951**	**$11,975**	**$14,938**	**$27,238**	**$14,457**	**$32,090**	**$233,176**
DISBURSEMENTS:													
State Operations:													
University of California	$339	$339	$25	$712	$376	$358	$493	$372	$357	$513	$518	$519	$4,920
Debt Service	-134	349	1,212	1,388	467	29	-281	102	588	1,224	163	-80	5,027
Other State Operations	4,744	3,006	3,424	4,157	2,209	4,793	3,115	3,170	2,666	3,678	2,919	3,163	41,041
Social Services	3,605	1,121	940	2,580	884	2,024	2,389	965	743	2,064	921	1,413	19,649
Medi-Cal Assistance for DHCS	4,942	4,558	2,792	4,415	2,074	3,754	4,664	4,281	974	198	596	3,417	36,664
Other Health and Human Services	1,783	-198	1,084	700	1,738	652	484	673	1,044	827	214	764	9,765
Schools	4,921	5,330	6,763	6,985	6,512	7,423	7,058	-311	8,745	5,996	5,813	8,594	73,829
Teachers' Retirement	833	0	0	1,296	0	832	0	0	0	1,296	0	0	4,258
Transfer to S ecial Fund for Economic Uncertainties	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfer to Bud et Stabilization Account	0	0	851	0	0	33	0	0	0	0	0	0	884
Other	2,609	3,408	-1,706	1,563	642	1,234	826	797	4,290	1,106	1,084	2,168	18,020
TOTAL, Disbursements	**$23,642**	**$17,912**	**$15,385**	**$23,797**	**$14,901**	**$21,131**	**$18,749**	**$10,049**	**$19,405**	**$16,902**	**$12,227**	**$19,956**	**$214,058**
EXCESS RECEIPTS/(DEFICIT)	**-$8,077**	**-$2,964**	**$5,810**	**-$10,246**	**-$3,602**	**$9,837**	**$6,202**	**$1,926**	**-$4,467**	**$10,336**	**$2,230**	**$12,134**	**$19,118**
NET TEMPORARY LOANS:													
Special Fund for Economic Uncertainties	$0	$0	$0	$779	$2,935	-$3,714	$0	$0	$0	$0	$0	$0	$0
Budget Stabilization Account	0	0	0	0	667	-667	0	0	0	0	0	0	0
Other Internal Sources	0	0	0	0	0	0	0	0	0	0	0	0	0
External Borrowing/RANs	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL, Net Temporary Loans	**$0**	**$0**	**$0**	**$779**	**$3,602**	**-$4,381**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
ENDING CASH BALANCE	**$6,621**	**$3,657**	**$9,467**	**$0**	**$0**	**$5,456**	**$11,658**	**$13,584**	**$9,117**	**$19,453**	**$21,683**	**$33,816**	**$33,816**
AVAILABLE/BORROWABLE RESOURCES:													
Special Fund for Economic Uncertainties	$3,829	$3,829	$3,829	$3,736	$3,714	$3,714	$3,509	$3,509	$3,509	$3,496	$3,496	$3,476	$3,476
Bud et Stabilization Account	17,326	17,326	17,633	17,633	17,633	17,633	17,633	17,633	17,633	17,633	17,633	17,633	17,633
Other Internal Sources	83,820	83,710	75,874	76,851	76,187	73,242	77,899	71,573	72,058	73,125	72,997	70,447	70,447
External Borrowing/RANs	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL, Available/Borrowable Resources	**$104,975**	**$104,865**	**$97,336**	**$98,221**	**$97,535**	**$94,589**	**$99,041**	**$92,715**	**$93,201**	**$94,254**	**$94,126**	**$91,556**	**$91,556**
CUMULATIVE LOAN BALANCES:													
Special Fund for Economic Uncertainties	$0	$0	$0	$779	$3,714	$0	$0	$0	$0	$0	$0	$0	$0
Bud et Stabilization Account	0	0	0	0	667	0	0	0	0	0	0	0	0
Other Internal Sources	0	0	0	0	0	0	0	0	0	0	0	0	0
External Borrowing/RANs	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL, Cumulative Loan Balances	**$0**	**$0**	**$0**	**$779**	**$4,381**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
UNUSED BORROWABLE RESOURCES	**$104,975**	**$104,865**	**$97,336**	**$97,442**	**$93,154**	**$94,589**	**$99,041**	**$92,715**	**$93,201**	**$94,254**	**$94,126**	**$91,556**	**$91,556**
CASH AND UNUSED BORROWABLE RESOURCES	**$111,596**	**$108,522**	**$106,803**	**$97,442**	**$93,154**	**$100,045**	**$110,699**	**$106,299**	**$102,318**	**$113,707**	**$115,808**	**$125,372**	**$125,372**

Note: Numbers may not add due to rounding.

Source: State Controller's Office

SCHEDULE 5C AT 2026-27 GOVERNOR'S BUDGET
ESTIMATED 2025-26 FISCAL YEAR CASHFLOW
GENERAL FUND
(Dollars in Millions)

	Actual JUL	Actual AUG	Actual SEP	Actual OCT	Actual NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
BEGINNING CASH BALANCE	**$33,816**	**$27,124**	**$23,531**	**$22,168**	**$16,061**	**$11,552**	**$9,927**	**$14,542**	**$11,192**	**$4,737**	**$9,200**	**$13,025**	**$33,816**
RECEIPTS:													
Alcoholic Beverage Excise Tax	$50	$30	$26	$51	$26	$40	$40	$29	$27	$33	$33	$32	$417
Corporation Tax	1,004	326	2,977	2,489	340	8,359	3,928	175	4,410	6,066	1,507	11,680	43,261
Cigarette Tax	3	4	3	3	1	5	4	2	3	3	3	1	35
Inheritance, Gift and Estate Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0
Insurance Tax	107	674	334	28	554	429	36	43	404	814	457	490	4,370
Personal Income Tax	8,622	8,894	13,304	14,620	6,581	12,387	19,289	5,843	8,897	20,656	7,457	17,358	143,908
Retail Sales and Use Tax	1,389	4,053	2,755	1,520	3,484	3,531	1,668	4,463	2,558	1,335	4,498	3,158	34,412
Income from Pooled Money Investments	309	237	248	355	223	206	231	264	272	296	221	228	3,090
Transfer from Special Fund for Economic Uncertainties	0	0	0	0	0	0	0	0	0	0	0	0	0
Other	7,367	566	821	93	851	440	261	99	59	29	620	2,023	13,229
TOTAL, Receipts	**$18,851**	**$14,784**	**$20,468**	**$19,159**	**$12,060**	**$25,397**	**$25,457**	**$10,918**	**$16,630**	**$29,232**	**$14,796**	**$34,971**	**$242,722**
DISBURSEMENTS:													
State Operations:													
University of California	$485	$389	$393	$409	$409	$514	$385	$528	$385	$385	$374	$538	$5,194
Debt Service	-82	635	1,237	1,201	602	148	-127	-211	444	736	113	320	5,016
Other State Operations	3,872	3,224	3,820	4,380	2,050	3,845	3,513	3,287	2,568	4,176	3,647	3,642	42,024
Social Services	3,648	2,708	2,589	1,973	907	1,668	2,529	-96	1,485	2,451	865	1,577	22,304
Medi-Cal Assistance for DHCS	8,309	4,141	1,530	4,608	3,527	6,217	4,202	1,642	5,669	4,914	-1,773	5,294	48,280
Other Health Care Services	1,995	1,231	432	1,217	1,188	1,308	1,040	978	1,062	1,114	424	1,280	13,269
Schools	5,017	4,508	10,403	8,256	6,563	11,051	7,076	6,945	10,269	5,705	5,821	9,778	91,392
Teachers' Retirement	905	0	0	1,411	0	904	0	0	0	1,411	0	0	4,632
Transfer to Special Fund for Economic Uncertainties	0	0	0	0	0	0	1,036	0	0	0	0	0	1,036
Transfer to Budget Stabilization Account	0	0	23	635	0	0	0	0	0	0	0	0	658
Other	1,394	1,541	1,403	1,177	1,323	1,367	1,188	1,196	1,203	3,877	1,500	1,648	18,815
TOTAL, Disbursements	**$25,543**	**$18,377**	**$21,830**	**$25,267**	**$16,569**	**$27,022**	**$20,842**	**$14,269**	**$23,085**	**$24,769**	**$10,971**	**$24,078**	**$252,620**
EXCESS RECEIPTS/(DEFICIT)	**-$6,692**	**-$3,593**	**-$1,362**	**-$6,108**	**-$4,508**	**-$1,626**	**$4,615**	**-$3,350**	**-$6,455**	**$4,463**	**$3,825**	**$10,894**	**-$9,898**
NET TEMPORARY LOANS:													
Special Fund for Economic Uncertainties	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Budget Stabilization Account	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Internal Sources	0	0	0	0	0	0	0	0	0	0	0	0	0
Revenue Anticipation Notes	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL, Net Temporary Loans	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
ENDING CASH BALANCE	**$27,124**	**$23,531**	**$22,168**	**$16,061**	**$11,552**	**$9,927**	**$14,542**	**$11,192**	**$4,737**	**$9,200**	**$13,025**	**$23,918**	**$23,918**
AVAILABLE/BORROWABLE RESOURCES:													
Special Fund for Economic Uncertainties	$3,510	$3,510	$3,510	$3,476	$3,476	$3,476	$4,513	$4,513	$4,513	$4,513	$4,513	$4,513	$4,513
Budget Stabilization Account	10,533	10,533	9,921	11,191	11,191	11,191	11,191	11,191	11,191	11,191	11,191	11,191	11,191
Other Internal Sources	70,997	74,498	71,708	71,122	73,123	71,263	71,943	72,831	71,256	73,443	73,272	72,573	72,573
Revenue Anticipation Notes	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL, Available/Borrowable Resources	**$85,041**	**$88,542**	**$85,140**	**$85,790**	**$87,790**	**$85,930**	**$87,647**	**$88,535**	**$86,960**	**$89,147**	**$88,976**	**$88,277**	**$88,277**
CUMULATIVE LOAN BALANCES:													
Special Fund for Economic Uncertainties	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Budget Stabilization Account	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Internal Sources	0	0	0	0	0	0	0	0	0	0	0	0	0
Revenue Anticipation Notes	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL, Cumulative Loan Balances	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
UNUSED BORROWABLE RESOURCES	**$85,041**	**$88,542**	**$85,140**	**$85,790**	**$87,790**	**$85,930**	**$87,647**	**$88,535**	**$86,960**	**$89,147**	**$88,976**	**$88,277**	**$88,277**
Cash and Unused Borrowable Resources	**$112,165**	**$112,073**	**$107,308**	**$101,851**	**$99,342**	**$95,857**	**$102,189**	**$99,727**	**$91,697**	**$98,347**	**$102,001**	**$112,195**	**$112,195**

Note: Numbers may not add due to rounding.

SCHEDULE 5D AT 2026-27 GOVERNOR'S BUDGET
ESTIMATED 2026-27 FISCAL YEAR CASHFLOW
GENERAL FUND
(Dollars in Millions)

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
BEGINNING CASH BALANCE	**$23,918**	**$11,839**	**$12,781**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$23,918**
RECEIPTS:													
Alcoholic Beverage Excise Tax	$41	$35	$37	$33	$36	$34	$42	$31	$29	$35	$35	$31	$419
Corporation Tax	1,242	236	3,107	324	551	9,537	4,203	337	4,642	5,885	1,500	11,589	43,153
Cigarette Tax	3	3	3	4	2	4	3	2	3	3	2	2	34
Inheritance, Gift and Estate Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0
Insurance Tax	83	529	503	62	497	550	38	45	431	864	488	522	4,612
Personal Income Tax	9,874	8,654	13,975	10,456	8,432	11,084	20,037	5,929	9,082	21,030	7,764	18,108	144,425
Retail Sales and Use Tax	1,459	4,062	2,816	1,552	3,945	3,215	1,708	4,547	2,601	1,366	4,580	3,196	35,047
Income from Pooled Money Investments	200	237	285	292	179	167	167	191	197	203	151	154	2,423
Transfer from Special Fund for Economic Uncertainties	0	0	0	0	0	0	4	0	0	0	0	0	4
Other	79	118	114	31	67	253	281	114	71	30	121	2,121	3,400
TOTAL, Receipts	**$12,981**	**$13,874**	**$20,840**	**$12,754**	**$13,709**	**$24,844**	**$26,483**	**$11,196**	**$17,056**	**$29,416**	**$14,641**	**$35,723**	**$233,517**
DISBURSEMENTS:													
State Operations:													
University of California	$422	$422	$422	$422	$422	$422	$422	$617	$422	$422	$841	$130	$5,386
Debt Service	-56	437	1,020	1,705	774	167	-123	-265	591	1,082	218	401	5,951
Other State Operations	5,557	2,848	2,996	4,207	2,329	3,726	3,461	3,245	2,323	4,172	3,454	3,567	41,885
Social Services	2,884	1,230	2,048	2,379	1,223	1,863	2,852	1,126	1,710	2,553	1,088	1,833	22,789
Medi-Cal Assistance for DHCS	5,942	2,125	5,285	4,270	1,263	6,725	4,215	3,980	4,362	3,116	4,227	4,112	49,622
Other Health Care Services	2,486	1,030	911	1,500	1,693	1,035	922	944	1,106	1,118	351	236	13,333
Schools	5,159	3,987	14,597	8,512	8,314	10,731	7,231	7,574	10,954	6,401	6,560	10,160	100,180
Teachers' Retirement	932	0	0	1,456	0	932	0	0	0	1,456	0	0	4,776
Transfer to Special Fund for Economic Uncertainties	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfer to Budget Stabilization Account	0	0	3,159	0	0	0	0	0	0	0	0	0	3,159
Other	1,734	853	3,354	897	884	924	768	773	778	909	1,798	1,143	14,814
TOTAL, Disbursements	**$25,060**	**$12,932**	**$33,792**	**$25,348**	**$16,902**	**$26,525**	**$19,748**	**$17,994**	**$22,246**	**$21,229**	**$18,537**	**$21,582**	**$261,895**
EXCESS RECEIPTS/(DEFICIT)	**-$12,080**	**$942**	**-$12,951**	**-$12,594**	**-$3,193**	**-$1,681**	**$6,735**	**-$6,798**	**-$5,190**	**$8,186**	**-$3,896**	**$14,141**	**-$28,378**
NET TEMPORARY LOANS:													
Special Fund for Economic Uncertainties	$0	$0	$171	$4,342	$0	$0	-$4	$0	$0	$0	$0	-$48	$4,460
Budget Stabilization Account	0	0	0	8,252	3,193	1,681	-6,730	6,798	1,157	-4,154	3,896	-14,093	0
Other Internal Sources	0	0	0	0	0	0	0	0	4,032	-4,032	0	0	0
Revenue Anticipation Notes	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL, Net Temporary Loans	**$0**	**$0**	**$171**	**$12,594**	**$3,193**	**$1,681**	**-$6,734**	**$6,798**	**$5,189**	**-$8,186**	**$3,896**	**-$14,141**	**$4,460**
ENDING CASH BALANCE	**$11,839**	**$12,781**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
AVAILABLE/BORROWABLE RESOURCES:													
Special Fund for Economic Uncertainties	$4,513	$4,513	$4,513	$4,513	$4,513	$4,513	$4,508	$4,508	$4,508	$4,508	$4,508	$4,508	$4,508
Budget Stabilization Account	11,191	11,191	14,350	14,350	14,350	14,350	14,350	14,350	14,350	14,350	14,350	14,350	14,350
Other Internal Sources	70,792	73,505	75,762	77,415	78,420	76,507	77,154	78,131	76,425	78,562	78,390	77,775	77,775
Revenue Anticipation Notes	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL, Available/Borrowable Resources	**$86,496**	**$89,209**	**$94,625**	**$96,278**	**$97,283**	**$95,370**	**$96,013**	**$96,990**	**$95,284**	**$97,421**	**$97,249**	**$96,634**	**$96,634**
CUMULATIVE LOAN BALANCES:													
Special Fund for Economic Uncertainties	$0	$0	$171	$4,513	$4,513	$4,513	$4,508	$4,508	$4,508	$4,508	$4,508	$4,460	$4,460
Budget Stabilization Account	0	0	0	8,252	11,445	13,126	6,395	13,193	14,350	10,196	14,093	0	0
Other Internal Sources	0	0	0	0	0	0	0	0	4,032	0	0	0	0
Revenue Anticipation Notes	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL, Cumulative Loan Balances	**$0**	**$0**	**$171**	**$12,764**	**$15,957**	**$17,638**	**$10,904**	**$17,701**	**$22,891**	**$14,705**	**$18,601**	**$4,460**	**$4,460**
UNUSED BORROWABLE RESOURCES	**$86,496**	**$89,209**	**$94,455**	**$83,514**	**$81,326**	**$77,732**	**$85,109**	**$79,288**	**$72,393**	**$82,716**	**$78,648**	**$92,174**	**$92,174**
Cash and Unused Borrowable Resources	**$98,335**	**$101,990**	**$94,455**	**$83,514**	**$81,326**	**$77,732**	**$85,109**	**$79,288**	**$72,393**	**$82,716**	**$78,648**	**$92,174**	**$92,174**

Note: Numbers may not add due to rounding.

SCHEDULE 6 AT 2026-27 GOVERNOR'S BUDGET
SUMMARY OF STATE POPULATION, EMPLOYEES, AND EXPENDITURES

Year	Population[1/] (Thousands)	Employees[2/]	Employees per 1,000 Population	Personal Income (Billions)	Revenue General Fund (Millions)	Revenue Total (Millions)	Expenditures General Fund[3/] (Millions)	Expenditures Total[4/] (Millions)	Expenditures per Capita General Fund[3/]	Expenditures per Capita Total[4/]	Expenditures per $100 of Personal Income General Fund[3/]	Expenditures per $100 of Personal Income Total[4/]
1975-76	21,538	206,361	9.6	153.7	9,639	11,567	9,518	11,452	441.92	531.71	6.19	7.45
1976-77	21,936	213,795	9.7	171.9	11,381	13,463	10,467	12,632	477.16	575.86	6.09	7.35
1977-78	22,352	221,251	9.9	191.6	13,695	15,962	11,686	14,003	522.82	626.48	6.10	7.31
1978-79	22,836	218,530	9.6	218.6	15,219	17,711	16,251	18,745	711.64	820.85	7.43	8.58
1979-80	23,257	220,193	9.5	249.3	17,985	20,919	18,534	21,488	796.92	923.94	7.43	8.62
1980-81	23,782	225,567	9.5	283.9	19,023	22,104	21,105	24,511	887.44	1,030.65	7.43	8.63
1981-82	24,278	228,813	9.4	319.2	20,960	23,601	21,693	25,022	893.53	1,030.65	6.80	7.84
1982-83	24,805	228,489	9.2	341.1	21,233	24,291	21,751	25,330	876.88	1,021.17	6.38	7.43
1983-84	25,337	226,695	8.9	368.2	23,809	27,626	22,869	26,797	902.59	1,057.62	6.21	7.28
1984-85	25,816	229,845	8.9	411.3	26,536	31,570	25,722	30,961	996.36	1,199.30	6.25	7.53
1985-86	26,403	229,641	8.7	443.6	28,072	33,558	28,841	34,977	1,092.34	1,324.74	6.50	7.88
1986-87	27,052	232,927	8.6	475.0	32,519	37,767	31,469	38,079	1,163.28	1,407.62	6.63	8.02
1987-88	27,717	237,761	8.6	512.4	32,534	38,773	33,021	40,452	1,191.36	1,459.47	6.44	7.89
1988-89	28,393	248,173	8.7	555.5	36,953	43,322	35,897	44,634	1,264.29	1,572.01	6.46	8.03
1989-90	29,142	254,589	8.7	597.5	38,750	46,453	39,456	48,594	1,353.92	1,667.49	6.60	8.13
1990-91	29,828	260,622	8.7	640.5	38,214	47,024	40,264	51,446	1,349.87	1,724.76	6.29	8.03
1991-92	30,459	261,713	8.6	662.3	42,026	53,117	43,327	56,280	1,422.47	1,847.73	6.54	8.50
1992-93	30,987	260,939	8.4	695.0	40,946	52,526	40,948	56,480	1,321.46	1,822.70	5.89	8.13
1993-94	31,314	265,035	8.5	711.3	40,095	52,384	38,958	53,083	1,244.11	1,695.18	5.48	7.46
1994-95	31,524	269,004	8.5	738.3	42,710	54,942	41,961	54,613	1,331.08	1,732.43	5.68	7.40
1995-96	31,712	271,076	8.5	776.5	46,296	59,266	45,393	59,870	1,431.41	1,887.93	5.85	7.71
1996-97	31,963	271,966	8.5	825.7	49,220	62,831	49,088	64,523	1,535.78	2,018.68	5.95	7.81
1997-98	32,453	264,551	8.2	879.2	54,973	69,424	52,874	68,528	1,629.25	2,111.61	6.01	7.79
1998-99	32,863	282,860	8.6	963.1	58,615	74,281	57,827	75,260	1,759.64	2,290.11	6.00	7.81
1999-00	33,419	296,076	8.9	1,027.7	71,931	87,536	66,494	84,864	1,989.71	2,539.39	6.47	8.26
2000-01	34,001	311,239	9.2	1,135.3	71,428	88,419	78,053	96,382	2,295.61	2,834.68	6.88	8.49
2001-02	34,513	322,277	9.3	1,174.5	72,239	89,780	76,752	99,220	2,223.86	2,874.86	6.53	8.45
2002-03	34,938	321,394	9.2	1,193.4	80,564	95,794	77,482	106,779	2,217.70	3,056.24	6.49	8.95
2003-04	35,389	316,860	9.0	1,244.4	76,774	96,365	78,345	104,223	2,213.82	2,945.07	6.30	8.38
2004-05	35,753	313,684	8.8	1,321.6	82,209	104,462	79,804	107,591	2,232.09	3,009.29	6.04	8.14
2005-06	35,986	317,593	8.8	1,396.2	93,427	118,331	91,592	119,612	2,545.21	3,323.85	6.56	8.57
2006-07	36,247	335,384	9.3	1,499.5	95,415	120,663	101,413	129,968	2,797.83	3,585.62	6.76	8.67
2007-08	36,553	343,118	9.4	1,564.4	102,574	127,194	102,986	138,065	2,817.44	3,777.12	6.58	8.83
2008-09	36,856	350,609	9.5	1,596.3	82,772	106,319	90,940	122,386	2,467.44	3,320.65	5.70	7.67
2009-10	37,077	345,777	9.3	1,536.4	87,041	109,989	87,237	117,001	2,352.86	3,155.62	5.68	7.62
2010-11	37,339	371,959	10.0	1,579.1	93,489	122,463	91,549	130,981	2,451.83	3,507.89	5.80	8.29
2011-12	37,676	356,808	9.5	1,683.2	87,071	118,792	86,404	126,361	2,293.34	3,353.89	5.13	7.51
2012-13	38,038	346,321	9.1	1,805.2	99,915	137,242	96,562	141,001	2,538.57	3,706.85	5.35	7.81
2013-14	38,370	353,979	9.2	1,856.6	102,675	142,860	99,838	142,810	2,601.98	3,721.92	5.38	7.69
2014-15	38,729	360,859	9.3	1,939.5	111,318	157,875	112,974	160,294	2,917.04	4,138.86	5.82	8.26
2015-16	39,060	350,680	9.0	2,103.7	115,500	161,759	113,984	160,209	2,918.18	4,101.61	5.42	7.62
2016-17	39,321	361,743	9.2	2,212.7	119,982	167,036	119,291	165,880	3,033.77	4,218.61	5.39	7.50
2017-18	39,612	368,520	9.3	2,364.1	131,116	188,115	124,756	177,316	3,149.45	4,476.32	5.28	7.50
2018-19	39,672	376,990	9.5	2,514.1	140,060	201,754	140,387	203,243	3,538.69	5,123.08	5.58	8.08
2019-20	39,662	382,465	9.6	2,632.3	140,400	200,011	146,285	208,090	3,688.29	5,246.58	5.56	7.91
2020-21	39,521	390,693	9.9	2,763.3	194,575	250,021	162,129	226,589	4,102.35	5,733.38	5.87	8.20
2021-22	39,243	412,245	10.5	3,006.2	232,537	306,947	216,785	270,694	5,524.17	6,897.89	7.21	9.00
2022-23	39,141	427,286	10.9	3,006.6	178,557	247,014	195,189	274,039	4,986.82	7,001.33	6.49	9.11
2023-24	39,341	425,360	10.8	3,166.1	195,879	276,777	205,670	303,246	5,227.88	7,708.14	6.50	9.58
2024-25	39,496	434,850	11.0	3,400.2	232,309	313,267	229,231	319,151	5,803.90	8,080.59	6.74	9.39
2025-26	39,515	480,701	12.2	3,579.7	235,162	313,819	237,662	342,404	6,014.48	8,665.17	6.64	9.57
2026-27	39,607	481,850	12.2	3,726.2	227,385	322,726	248,330	348,934	6,269.85	8,809.91	6.66	9.36

[1/] Population as of July 1, the beginning of the fiscal year.
[2/] Beginning with the 2010-11 fiscal year, "employees" displays latest authorized/proposed number of positions, as opposed to prior years that show personnel years.
[3/] Includes Special Accounts in General Fund from 1973-74 to 1976-77.
[4/] Expenditures include payments from General Fund, Special Funds and Selected Bond Funds.

SCHEDULE 8 AT 2026-27 GOVERNOR'S BUDGET
COMPARATIVE STATEMENT OF REVENUES
(Dollars in Thousands)

Sources	Actuals 2024-25 General Fund	Actuals 2024-25 Special Funds	Actuals 2024-25 Total	Estimated 2025-26 General Fund	Estimated 2025-26 Special Funds	Estimated 2025-26 Total	Estimated 2026-27 General Fund	Estimated 2026-27 Special Funds	Estimated 2026-27 Total
MAJOR TAXES AND LICENSES									
4110200-Alcoholic Beverage Excise Tax - Beer and Wine	$ 154,186	$ --	$ 154,186	$ 153,140	$ --	$ 153,140	$ 151,883	$ --	$ 151,883
4110250-Alcoholic Beverage Excise Tax - Distilled Spirits	260,082	--	260,082	263,782	--	263,782	267,129	--	267,129
4110300-Cannabis Excise & Cultivation Tax	--	589,795	589,795	--	612,426	612,426	--	598,457	598,457
4110400-Cigarette Tax	37,026	1,185,217	1,222,243	35,008	1,105,045	1,140,053	33,886	1,066,155	1,100,041
4110800-Corporation Tax	41,338,259	--	41,338,259	41,701,838	--	41,701,838	43,527,691	--	43,527,691
4113000-Identification Card Fees	--	45,125	45,125	--	46,446	46,446	--	47,805	47,805
4113400-Insurance Gross Premiums Tax	4,298,323	--	4,298,323	4,369,552	--	4,369,552	4,612,163	--	4,612,163
4113600-Jet Fuel Tax	--	3,925	3,925	--	4,150	4,150	--	4,150	4,150
4113800-Lien Sale Application Fees	--	1,124	1,124	--	1,133	1,133	--	1,142	1,142
4114000-Mobilehome In-Lieu Tax	906	1,888	2,794	972	2,021	2,993	972	2,021	2,993
4115000-Motor Vehicles - Driver's License Fees	--	440,010	440,010	--	407,400	407,400	--	332,937	332,937
4115100-Motor Vehicles - Fuel Tax (Diesel)	--	1,485,499	1,485,499	--	1,504,846	1,504,846	--	1,531,535	1,531,535
4115200-Motor Vehicles - Fuel Tax (Gasoline)	--	7,917,697	7,917,697	--	8,102,588	8,102,588	--	8,261,899	8,261,899
4115300-Motor Vehicles - License (In-Lieu) Fees	6	3,560,783	3,560,789	2	3,691,717	3,691,719	2	3,810,399	3,810,401
4115400-Motor Vehicles - Registration Fees	--	1,316,915	1,316,915	--	1,345,600	1,345,600	--	1,370,873	1,370,873
4115401-Motor Vehicles - Registration Fees (SAL Excludable)	--	4,211,134	4,211,134	--	4,271,731	4,271,731	--	4,423,416	4,423,416
4115450-Transportation Improvement Fee	--	2,505,340	2,505,340	--	2,549,105	2,549,105	--	2,679,772	2,679,772
4115460-Road Improvement Fee (Zero Emission Vehicles)	--	125,472	125,472	--	166,195	166,195	--	209,493	209,493
4115500-Motor Vehicles - Recovery Fees	--	1,835	1,835	--	1,835	1,835	--	1,835	1,835
4115600-Motor Vehicles - Other Fees	--	372,969	372,969	--	274,205	274,205	--	275,904	275,904
4116200-Personal Income Tax	130,177,960	3,470,145	133,648,105	137,840,392	4,455,928	142,296,320	142,202,089	4,621,185	146,823,274
4117000-Retail Sales and Use Tax	33,602,178	1,111,163	34,713,341	34,400,570	1,048,179	35,448,749	35,095,107	999,678	36,094,785
4117200-Retail Sales and Use Tax - Fiscal Recovery	--	--	--	--	--	--	--	--	--
4117400-Retail Sales and Use Tax - 2011 Realignment	--	9,617,786	9,617,786	--	9,897,738	9,897,738	--	9,897,738	9,897,738

SCHEDULE 8 AT 2026-27 GOVERNOR'S BUDGET
COMPARATIVE STATEMENT OF REVENUES
(Dollars in Thousands)

Sources	Actuals 2024-25 General Fund	Actuals 2024-25 Special Funds	Actuals 2024-25 Total	Estimated 2025-26 General Fund	Estimated 2025-26 Special Funds	Estimated 2025-26 Total	Estimated 2026-27 General Fund	Estimated 2026-27 Special Funds	Estimated 2026-27 Total
4117600-Retail Sales and Use Tax - 1991 Realignment	--	4,507,068	4,507,068	--	4,671,620	4,671,620	--	4,960,427	4,960,427
TOTALS, MAJOR TAXES AND LICENSES	**$ 209,868,926**	**$ 42,470,890**	**$ 252,339,816**	**$ 218,765,256**	**$ 44,159,908**	**$ 262,925,164**	**$ 225,890,922**	**$ 45,096,821**	**$ 270,987,743**
MINOR REVENUES									
REGULATORY TAXES AND LICENSES									
4120000-Beverage Container Redemption Fees	--	1,630,030	1,630,030	--	1,656,120	1,656,120	--	1,710,921	1,710,921
4120400-Building Construction Filing Fees (Physically Handicapped)	--	6,006	6,006	--	5,803	5,803	--	5,252	5,252
4120600-Candidate Filing Fee	37	--	37	964	--	964	1,366	--	1,366
4120700-Cannabis Licensing Fees	--	29,995	29,995	--	17,050	17,050	--	20,568	20,568
4120800-Corporation Fees - Domestic Corporations	--	13,120	13,120	--	13,700	13,700	--	14,200	14,200
4121000-Corporation Fees - Foreign Corporations	--	1,309	1,309	--	1,400	1,400	--	1,500	1,500
4121200-Delinquent Fees	--	12,400	12,400	--	11,661	11,661	--	11,888	11,888
4121600-Elevator and Boiler Inspection Fees	--	41,484	41,484	--	41,758	41,758	--	42,635	42,635
4121800-Employment Agency Filing Fees	--	946	946	--	880	880	--	880	880
4122000-Employment Agency License Fees	--	5,297	5,297	--	5,443	5,443	--	5,443	5,443
4122200-Energy Resources Surcharge	--	1,090,053	1,090,053	--	1,095,149	1,095,149	--	1,095,149	1,095,149
4122400-Environmental and Hazardous Waste Fees	--	125,822	125,822	--	121,737	121,737	--	121,737	121,737
4122600-Explosive Permit Fees	--	1	1	--	--	--	--	--	--
4122800-Filing Financing Statements	--	2,965	2,965	--	3,100	3,100	--	3,200	3,200
4123000-Fish and Game - Licenses, Tags, and Permits	--	130,865	130,865	--	134,003	134,003	--	135,672	135,672
4123200-Fish and Game - Taxes	--	1,053	1,053	--	1,053	1,053	--	1,053	1,053
4123400-Genetic Disease Testing Fees	--	180,671	180,671	--	167,966	167,966	--	167,023	167,023
4123600-Highway Carriers Uniform Business License Tax	--	--	--	--	--	--	--	--	--
4123720-Horse Racing Licenses	--	20,918	20,918	--	21,385	21,385	--	20,937	20,937

SCHEDULE 8 AT 2026-27 GOVERNOR'S BUDGET
COMPARATIVE STATEMENT OF REVENUES
(Dollars in Thousands)

Sources	Actuals 2024-25			Estimated 2025-26			Estimated 2026-27		
	General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
4123740-Horse Racing Miscellaneous	--	--	--	--	2	2	--	2	2
4123800-Industrial Homework Fees	--	1	1	--	1	1	--	1	1
4124000-Insurance Company - Examination Fees	--	22,938	22,938	--	21,099	21,099	--	21,099	21,099
4124200-Insurance Company - License Fees and Penalties	--	77,034	77,034	--	78,068	78,068	--	78,889	78,889
4124400-Insurance Company - General Fees	--	39,808	39,808	--	40,164	40,164	--	40,164	40,164
4124600-Insurance Company - Proposition 103 Fees	--	53,869	53,869	--	46,160	46,160	--	46,160	46,160
4124800-Insurance Fraud Assessment - Automobile	--	52,355	52,355	--	54,930	54,930	--	54,930	54,930
4125000-Insurance Fraud Assessment - General	--	14,330	14,330	--	15,565	15,565	--	15,565	15,565
4125200-Insurance Fraud Assessment - Workers Compensation	--	90,284	90,284	--	90,329	90,329	--	90,329	90,329
4125400-Liquor License Fees	--	102,563	102,563	--	104,555	104,555	--	107,463	107,463
4125600-New Motor Vehicle Dealer License Fee	--	1,777	1,777	--	1,743	1,743	--	1,743	1,743
4125800-Notary Public License Fees	--	747	747	--	780	780	--	700	700
4126000-Off Highway Vehicle Fees	--	19,195	19,195	--	19,423	19,423	--	19,385	19,385
4126200-Private Rail Car Tax	10,365	--	10,365	9,015	--	9,015	9,015	--	9,015
4126400-Processing Fee	1,308	342	1,650	783	348	1,131	783	348	1,131
4126600-Public Utilities Commission - Quarterly Fees	--	296,040	296,040	--	347,556	347,556	--	390,429	390,429
4126800-Public Utilities Commission - Penalties on Quarterly Fees	--	4	4	--	--	--	--	--	--
4127000-Real Estate - Examination Fees	--	4,540	4,540	--	4,195	4,195	--	4,195	4,195
4127200-Real Estate - License Fees	--	52,011	52,011	--	54,528	54,528	--	54,415	54,415
4127300-Refinery Fees	--	4,789	4,789	--	4,262	4,262	--	4,262	4,262
4127400-Renewal Fees	--	572,203	572,203	--	611,977	611,977	--	597,514	597,514
4128000-Subdivision Filing Fees	--	12,029	12,029	--	11,662	11,662	--	11,662	11,662
4128400-Teacher Credential Fees	--	31,427	31,427	--	30,431	30,431	--	30,431	30,431
4128600-Teacher Examination Fees	--	--	--	--	1,828	1,828	--	1,828	1,828
4128740-Trailer Coach License (In Lieu) Fees	44,596	--	44,596	45,262	--	45,262	45,262	--	45,262

SCHEDULE 8 AT 2026-27 GOVERNOR'S BUDGET
COMPARATIVE STATEMENT OF REVENUES
(Dollars in Thousands)

Sources	Actuals 2024-25 General Fund	Actuals 2024-25 Special Funds	Actuals 2024-25 Total	Estimated 2025-26 General Fund	Estimated 2025-26 Special Funds	Estimated 2025-26 Total	Estimated 2026-27 General Fund	Estimated 2026-27 Special Funds	Estimated 2026-27 Total
4129000-Other Fees and Licenses	78	-63,943	-63,865	--	79,960	79,960	--	85,460	85,460
4129200-Other Regulatory Fees	1,537	8,621,859	8,623,396	1,556	9,994,324	9,995,880	1,556	15,672,314	15,673,870
4129400-Other Regulatory Licenses and Permits	5,270	1,074,325	1,079,595	5,704	1,115,408	1,121,112	5,704	1,217,759	1,223,463
4129600-Other Regulatory Taxes	--	263,997	263,997	--	269,528	269,528	--	286,158	286,158
Totals, REGULATORY TAXES AND LICENSES	**$ 63,191**	**$ 14,637,459**	**$ 14,700,650**	**$ 63,284**	**$ 16,297,034**	**$ 16,360,318**	**$ 63,686**	**$ 22,191,263**	**$ 22,254,949**
REVENUE FROM LOCAL AGENCIES									
4130000-Architecture Public Building Fees	--	99,300	99,300	--	101,396	101,396	--	91,256	91,256
4131000-Crimes of Public Offense Fines	65	20,000	20,065	58	20,000	20,058	58	20,000	20,058
4131500-Felony Conviction Penalties	--	36,006	36,006	--	36,002	36,002	--	36,002	36,002
4132000-Fingerprint Identification Card Fees	--	103,173	103,173	--	103,173	103,173	--	103,173	103,173
4132500-Fish and Game Fines	--	615	615	--	601	601	--	601	601
4133000-Fish and Game Fines - Additional Assessments	--	42	42	--	42	42	--	42	42
4133500-Fish and Game Fines - Penalty Assessments	--	207	207	--	139	139	--	139	139
4134000-Local Agencies - Interest on Loans	503	404	907	600	427	1,027	600	446	1,046
4134500-Local Agencies - Cost Recoveries	15,000	22,767	37,767	15,000	24,661	39,661	15,000	26,714	41,714
4135000-Local Agencies - Miscellaneous Revenue	109,862	655,019	764,881	106,736	664,619	771,355	106,736	668,392	775,128
4135500-Narcotic Fines	461	--	461	1,000	--	1,000	1,000	--	1,000
4136000-Open Space Cancellation Fee Deferred Taxes	3,471	5,000	8,471	--	2,500	2,500	--	2,500	2,500
4136500-Traffic Violation Penalties	--	1	1	--	--	--	--	--	--
Totals, REVENUE FROM LOCAL AGENCIES	**$ 129,362**	**$ 942,534**	**$ 1,071,896**	**$ 123,394**	**$ 953,560**	**$ 1,076,954**	**$ 123,394**	**$ 949,265**	**$ 1,072,659**
SERVICES TO THE PUBLIC									
4140000-Document Sales	84	6,068	6,152	146	6,170	6,316	146	6,126	6,272
4140500-Emergency Telephone User's Surcharge	--	218,765	218,765	--	214,585	214,585	--	214,585	214,585
4140505-Suicide and Behavioral Health Telephone Surcharge	--	49,840	49,840	--	44,276	44,276	--	57,040	57,040
4142500-License Plate Fees -	--	74,461	74,461	--	75,128	75,128	--	75,128	75,128

SCHEDULE 8 AT 2026-27 GOVERNOR'S BUDGET
COMPARATIVE STATEMENT OF REVENUES
(Dollars in Thousands)

Sources	Actuals 2024-25			Estimated 2025-26			Estimated 2026-27		
	General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
Personalized Plates									
4143000-Medicare Receipts - Federal Government	2,256	--	2,256	4,700	--	4,700	4,700	--	4,700
4143500-Miscellaneous Services to the Public	972	251,358	252,330	1,023	241,477	242,500	1,017	238,600	239,617
4144000-Parental Fees	--	664	664	--	875	875	--	901	901
4144500-Parking Lot Revenues	--	24,995	24,995	--	23,922	23,922	--	24,027	24,027
4145000-Pay Patients Board Charges	123	--	123	150	--	150	150	--	150
4145500-Secretary of State - Fees	207	53,422	53,629	68	54,925	54,993	176	57,175	57,351
4146000-State Beach and Park Service Fees	--	115,572	115,572	--	131,922	131,922	--	131,922	131,922
Totals, SERVICES TO THE PUBLIC	**$ 3,642**	**$ 795,145**	**$ 798,787**	**$ 6,087**	**$ 793,280**	**$ 799,367**	**$ 6,189**	**$ 805,504**	**$ 811,693**
USE OF PROPERTY AND MONEY									
4150000-Geothermal Resources Well Fees	--	4,146	4,146	--	3,821	3,821	--	3,821	3,821
4150500-Interest Income - Interfund Loans	23,329	13,828	37,157	--	--	--	--	--	--
4151000-Interest Income - Other Loans	225	5,144	5,369	209	5,088	5,297	192	5,263	5,455
4151500-Miscellaneous Revenue - Use of Property and Money	2,810	25,361	28,171	1,387	28,624	30,011	1,387	28,891	30,278
4152000-Oil and Gas Leases - 1 Percent Revenue, Cities, and Counties	239	--	239	169	--	169	145	--	145
4152500-Rental of State Property	24,684	91,170	115,854	20,956	69,597	90,553	20,959	70,126	91,085
4152550-Lease Revenue	--	427	427	--	300	300	--	300	300
4154000-Royalties - Federal Land	--	30,302	30,302	--	31,057	31,057	--	31,057	31,057
4155000-Royalties - State Lands	75,649	--	75,649	49,244	--	49,244	41,305	--	41,305
Totals, USE OF PROPERTY AND MONEY	**$ 126,936**	**$ 170,378**	**$ 297,314**	**$ 71,965**	**$ 138,487**	**$ 210,452**	**$ 63,988**	**$ 139,458**	**$ 203,446**
INVESTMENT INCOME									
4160000-Investment Income - Condemnation Deposits Fund	14,217	1,192	15,409	--	601	601	--	601	601
4161000-Investment Income - Other	--	595	595	--	263	263	--	263	263
4162000-Investment Income - Pooled Money Investments	3,066,427	7,187	3,073,614	3,017,819	4,867	3,022,686	2,164,733	4,867	2,169,600
4163000-Investment Income - Surplus Money Investments	33,287	1,948,790	1,982,077	15,898	1,501,277	1,517,175	15,898	1,291,888	1,307,786

SCHEDULE 8 AT 2026-27 GOVERNOR'S BUDGET
COMPARATIVE STATEMENT OF REVENUES
(Dollars in Thousands)

Sources	Actuals 2024-25			Estimated 2025-26			Estimated 2026-27		
	General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
Totals, INVESTMENT INCOME	**$ 3,113,931**	**$ 1,957,764**	**$ 5,071,695**	**$ 3,033,717**	**$ 1,507,008**	**$ 4,540,725**	**$ 2,180,631**	**$ 1,297,619**	**$ 3,478,250**
MISCELLANEOUS									
4170100-Abandoned Property Revenue	1,559,883	--	1,559,883	1,671,550	--	1,671,550	1,759,203	--	1,759,203
4170400-Capital Asset Sales Proceeds	237	4,230	4,467	--	704	704	--	704	704
4170600-Carbon Allowances Auction Proceeds	--	3,379,000	3,379,000	--	3,770,000	3,770,000	--	3,770,000	3,770,000
4170700-Civil and Criminal Violation Assessment	5,524	25,787	31,311	5,519	24,448	29,967	5,519	24,448	29,967
4170800-Confiscated Property Sales	7,323	6	7,329	9,406	6	9,412	9,406	6	9,412
4171000-Cost Recoveries - Delinquent Receivables	1	335	336	6	231	237	6	231	237
4171100-Cost Recoveries - Other	3,107,814	132,981	3,240,795	1,314,675	91,876	1,406,551	702,584	98,103	800,687
4171200-Court Filing Fees and Surcharges	455	612,572	613,027	--	645,998	645,998	--	645,594	645,594
4171300-Donations	--	1,957	1,957	--	1,962	1,962	--	1,962	1,962
4171400-Escheat - Unclaimed Checks, Warrants, Bonds, and Coupons	251,188	11,284	262,472	552,743	11,959	564,702	152,743	12,241	164,984
4171500-Escheat - Unclaimed Property	438	87	525	--	--	--	--	--	--
4172000-Fines and Forfeitures	2,369	174,856	177,225	2,527	176,997	179,524	2,527	176,420	178,947
4172200-Fine and Penalties - Horse Racing	--	155	155	--	253	253	--	253	253
4172400-Forest Product Sales	--	54,818	54,818	--	46,000	46,000	--	46,000	46,000
4172500-Miscellaneous Revenue	104,551	7,667,440	7,771,991	30,326	5,855,580	5,885,906	30,327	6,150,719	6,181,046
4172600-Miscellaneous Tax Revenue	--	13,759,036	13,759,036	--	12,704,877	12,704,877	--	9,530,827	9,530,827
4172800-Parking Violations	13,354	2,104	15,458	14,217	2,401	16,618	14,217	2,401	16,618
4172900-Penalty Assessments - Criminal Fines	--	121,195	121,195	--	121,783	121,783	--	120,135	120,135
4173000-Penalty Assessments - Other	61,143	264,658	325,801	28,318	184,206	212,524	28,318	185,852	214,170
4173100-Personal Income Tax - Penalties and Interest	--	23,598	23,598	--	23,598	23,598	--	23,598	23,598
4173110-Individual Shared Responsibility Penalty Assessments	--	295,144	295,144	--	270,455	270,455	--	290,660	290,660
4173200-Proceeds from Estates of Deceased Persons	2,035	--	2,035	2,035	--	2,035	2,035	--	2,035

SCHEDULE 8 AT 2026-27 GOVERNOR'S BUDGET
COMPARATIVE STATEMENT OF REVENUES
(Dollars in Thousands)

Sources	Actuals 2024-25			Estimated 2025-26			Estimated 2026-27		
	General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
4173400-Settlements and Judgments - Anti-Trust Actions (Attorney General)	--	1,010	1,010	--	17,750	17,750	--	15,750	15,750
4173500-Settlements and Judgments - Other	82,972	239,470	322,442	10,406	228,749	239,155	10,406	228,767	239,173
4173600-State Public Land Sales	--	16,145	16,145	--	30,913	30,913	--	32,849	32,849
4173800-Traffic Violations	--	29,111	29,111	--	30,990	30,990	--	32,833	32,833
4173900-Tribal Gaming Revenues	250	2	252	--	29,316	29,316	--	29,316	29,316
4174100-Unemployment and Disability Insurance Contributions - Penalties and Inte	--	208,461	208,461	--	197,697	197,697	--	200,061	200,061
4174200-Uninsured Motorist Fees	426	163	589	506	159	665	506	155	661
4180000-Cash Adjustment for Transportation Funds (SAL I)	--	249,810	249,810	--	-266,000	-266,000	--	-53,376	-53,376
4180050-Cash Adjustment for Transportation Funds (SAL E)	--	-822	-822	--	-3,571	-3,571	--	-3,572	-3,572
Totals, MISCELLANEOUS	**$ 5,199,963**	**$ 27,274,593**	**$ 32,474,556**	**$ 3,642,234**	**$ 24,199,337**	**$ 27,841,571**	**$ 2,717,797**	**$ 21,562,937**	**$ 24,280,734**
TOTALS, MINOR REVENUES	**$ 8,637,025**	**$ 45,777,873**	**$ 54,414,898**	**$ 6,940,681**	**$ 43,888,706**	**$ 50,829,387**	**$ 5,155,685**	**$ 46,946,046**	**$ 52,101,731**
TOTALS, REVENUES	**$ 218,505,951**	**$ 88,248,763**	**$ 306,754,714**	**$ 225,705,937**	**$ 88,048,614**	**$ 313,754,551**	**$ 231,046,607**	**$ 92,042,867**	**$ 323,089,474**
TRANSFERS AND LOANS									
Loans	537,517	-538,567	-1,050	1,885,125	-1,886,925	-1,800	-1,013,300	644,243	-369,057
Revenue Transfers	13,265,853	-6,752,300	6,513,553	7,571,317	-7,504,890	66,427	-2,648,088	2,653,706	5,618
TOTALS, TRANSFERS AND LOANS	**$ 13,803,370**	**$ -7,290,867**	**$ 6,512,503**	**$ 9,456,442**	**$ -9,391,815**	**$ 64,627**	**$ -3,661,388**	**$ 3,297,949**	**$ -363,439**
TOTALS, REVENUES, TRANSFERS AND LOANS	**$ 232,309,321**	**$ 80,957,896**	**$ 313,267,217**	**$ 235,162,379**	**$ 78,656,799**	**$ 313,819,178**	**$ 227,385,219**	**$ 95,340,816**	**$ 322,726,035**

SCHEDULE 9 AT 2026-27 GOVERNOR'S BUDGET
COMPARATIVE STATEMENT OF EXPENDITURES
(Dollars In Thousands)

	Actual 2024-25					Estimated 2025-26					Estimated 2026-27				
	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds
LEGISLATIVE, JUDICIAL, AND EXECUTIVE															
0110-Senate															
State Operations	184,471	--	--	184,471	--	196,942	--	--	196,942	--	196,942	--	--	196,942	--
Totals,0110-Senate	**$184,471**	**--**	**--**	**$184,471**	**--**	**$196,942**	**--**	**--**	**$196,942**	**--**	**$196,942**	**--**	**--**	**$196,942**	**--**
0120-Assembly															
State Operations	243,064	--	--	243,064	--	259,495	--	--	259,495	--	259,495	--	--	259,495	--
Totals,0120-Assembly	**$243,064**	**--**	**--**	**$243,064**	**--**	**$259,495**	**--**	**--**	**$259,495**	**--**	**$259,495**	**--**	**--**	**$259,495**	**--**
0130-Joint Expenses															
Capital Outlay	--	300,000	--	300,000	--	--	250,000	--	250,000	--	--	150,000	--	150,000	--
Totals,0130-Joint Expenses	**--**	**$300,000**	**--**	**$300,000**	**--**	**--**	**$250,000**	**--**	**$250,000**	**--**	**--**	**$150,000**	**--**	**$150,000**	**--**
0160-Legislative Counsel Bureau															
State Operations	180,449	--	--	180,449	--	198,187	--	--	198,187	--	184,011	--	--	184,011	--
Totals,0160-Legislative Counsel Bureau	**$180,449**	**--**	**--**	**$180,449**	**--**	**$198,187**	**--**	**--**	**$198,187**	**--**	**$184,011**	**--**	**--**	**$184,011**	**--**
Legislative															
State Operations	607,984	--	--	607,984	--	654,624	--	--	654,624	--	640,448	--	--	640,448	--
Capital Outlay	--	300,000	--	300,000	--	--	250,000	--	250,000	--	--	150,000	--	150,000	--
Totals, Legislative	**$607,984**	**$300,000**	**--**	**$907,984**	**--**	**$654,624**	**$250,000**	**--**	**$904,624**	**--**	**$640,448**	**$150,000**	**--**	**$790,448**	**--**
0250-Judicial Branch															
State Operations	618,145	542,203	--	1,160,348	1,786	725,621	496,457	--	1,222,078	4,531	894,074	423,276	--	1,317,350	4,548
Local Assistance	2,300,220	1,271,550	--	3,571,770	823	2,392,919	1,326,445	--	3,719,364	2,275	2,444,028	1,329,134	--	3,773,162	2,275
Capital Outlay	--	--	--	--	--	94,891	--	--	94,891	--	53,906	--	--	53,906	--
Totals,0250-Judicial Branch	**$2,918,365**	**$1,813,753**	**--**	**$4,732,118**	**$2,609**	**$3,213,431**	**$1,822,902**	**--**	**$5,036,333**	**$6,806**	**$3,392,008**	**$1,752,410**	**--**	**$5,144,418**	**$6,823**
0280-Commission on Judicial Performance															
State Operations	6,499	--	--	6,499	--	7,342	--	--	7,342	--	7,388	--	--	7,388	--
Totals,0280-Commission on Judicial Performance	**$6,499**	**--**	**--**	**$6,499**	**--**	**$7,342**	**--**	**--**	**$7,342**	**--**	**$7,388**	**--**	**--**	**$7,388**	**--**
0390-Judges Retirement System Contributions															
State Operations	6,608	--	--	6,608	--	6,501	--	--	6,501	--	6,664	--	--	6,664	--
Local Assistance	311,892	--	--	311,892	--	275,967	--	--	275,967	--	309,216	--	--	309,216	--
Totals,0390-Judges Retirement System Contributions	**$318,500**	**--**	**--**	**$318,500**	**--**	**$282,468**	**--**	**--**	**$282,468**	**--**	**$315,880**	**--**	**--**	**$315,880**	**--**
Judicial															
State Operations	631,252	542,203	--	1,173,455	1,786	739,464	496,457	--	1,235,921	4,531	908,126	423,276	--	1,331,402	4,548
Local Assistance	2,612,112	1,271,550	--	3,883,662	823	2,668,886	1,326,445	--	3,995,331	2,275	2,753,244	1,329,134	--	4,082,378	2,275
Capital Outlay	--	--	--	--	--	94,891	--	--	94,891	--	53,906	--	--	53,906	--
Totals, Judicial	**$3,243,364**	**$1,813,753**	**--**	**$5,057,117**	**$2,609**	**$3,503,241**	**$1,822,902**	**--**	**$5,326,143**	**$6,806**	**$3,715,276**	**$1,752,410**	**--**	**$5,467,686**	**$6,823**
0500-Governors Office															
State Operations	25,087	115	--	25,202	--	24,539	115	--	24,654	--	24,912	115	--	25,027	--
Totals,0500-Governors Office	**$25,087**	**$115**	**--**	**$25,202**	**--**	**$24,539**	**$115**	**--**	**$24,654**	**--**	**$24,912**	**$115**	**--**	**$25,027**	**--**
0509-Governors Office of Bus, Econ Developm															
State Operations	58,699	4,193	--	62,892	1,382	107,766	5,450	--	113,216	3,250	49,009	4,702	--	53,711	3,250
Local Assistance	68,637	67,598	--	136,235	--	168,186	62,250	--	230,436	--	101,384	63,000	322,563	486,947	--
Totals,0509-Governors Office of Bus, Econ Developm	**$127,336**	**$71,791**	**--**	**$199,127**	**$1,382**	**$275,952**	**$67,700**	**--**	**$343,652**	**$3,250**	**$150,393**	**$67,702**	**$322,563**	**$540,658**	**$3,250**
0511-Government Operations, Secretary															
State Operations	18,847	--	--	18,847	--	24,214	--	--	24,214	--	27,664	--	--	27,664	--
Totals,0511-Government Operations, Secretary	**$18,847**	**--**	**--**	**$18,847**	**--**	**$24,214**	**--**	**--**	**$24,214**	**--**	**$27,664**	**--**	**--**	**$27,664**	**--**
0515-Secretary of Business and Consumer Services Agency															
State Operations	16,965	1,038	--	18,003	--	18,346	981	--	19,327	--	--	1,508	--	1,508	--
Totals,0515-Secretary of Business and Consumer Services Agency	**$16,965**	**$1,038**	**--**	**$18,003**	**--**	**$18,346**	**$981**	**--**	**$19,327**	**--**	**--**	**$1,508**	**--**	**$1,508**	**--**
0516-Secretary of California Housing and Homelessness Agency															
State Operations	--	--	--	--	--	--	--	--	--	--	4,431	--	--	4,431	--
Totals,0516-Secretary of California Housing and Homelessness Agency	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**$4,431**	**--**	**--**	**$4,431**	**--**
0521-Transportation, Secy															
State Operations	3,553	8,039	--	11,592	53,082	62,667	8,724	--	71,391	104,039	--	9,581	--	9,581	83,099
Local Assistance	2,571,061	1,651,806	--	4,222,867	94,133	2,388,173	2,342,561	--	4,730,734	142,913	518,000	420,832	--	938,832	87,435
Totals,0521-Transportation, Secy	**$2,574,614**	**$1,659,845**	**--**	**$4,234,459**	**$147,215**	**$2,450,840**	**$2,351,285**	**--**	**$4,802,125**	**$246,952**	**$518,000**	**$430,413**	**--**	**$948,413**	**$170,534**

SCHEDULE 9 AT 2026-27 GOVERNOR'S BUDGET
COMPARATIVE STATEMENT OF EXPENDITURES
(Dollars In Thousands)

	Actual 2024-25					Estimated 2025-26					Estimated 2026-27				
	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds
0530-Health, Human Services Agency, Secy															
State Operations	66,042	2,130	--	68,172	2,208	55,496	3,125	--	58,621	1,070	34,440	189	--	34,629	790
Local Assistance	211,665	--	--	211,665	12,228	213,337	--	--	213,337	12,228	208,800	--	--	208,800	12,228
Totals,0530-Health, Human Services Agency, Secy	**$277,707**	**$2,130**	**--**	**$279,837**	**$14,436**	**$268,833**	**$3,125**	**--**	**$271,958**	**$13,298**	**$243,240**	**$189**	**--**	**$243,429**	**$13,018**
0540-Natural Resources Agency, Secy															
State Operations	13,131	13,466	5,004	31,601	--	23,156	38,084	34,203	95,443	--	7,857	12,788	14,122	34,767	--
Local Assistance	164,573	18,374	4,582	187,529	--	317,825	47,556	303,898	669,279	--	2,000	6,700	134,498	143,198	--
Totals,0540-Natural Resources Agency, Secy	**$177,704**	**$31,840**	**$9,586**	**$219,130**	**--**	**$340,981**	**$85,640**	**$338,101**	**$764,722**	**--**	**$9,857**	**$19,488**	**$148,620**	**$177,965**	**--**
0552-Office of the Inspector General															
State Operations	47,189	--	--	47,189	--	48,886	--	--	48,886	--	51,941	--	--	51,941	--
Totals,0552-Office of the Inspector General	**$47,189**	**--**	**--**	**$47,189**	**--**	**$48,886**	**--**	**--**	**$48,886**	**--**	**$51,941**	**--**	**--**	**$51,941**	**--**
0555-Environmental Protection, Secy															
State Operations	3,080	17,538	--	20,618	--	3,118	23,889	--	27,007	300	3,120	23,786	--	26,906	300
Local Assistance	6,668	-55	--	6,613	--	4,835	--	--	4,835	--	835	720	--	1,555	--
Totals,0555-Environmental Protection, Secy	**$9,748**	**$17,483**	**--**	**$27,231**	**--**	**$7,953**	**$23,889**	**--**	**$31,842**	**$300**	**$3,955**	**$24,506**	**--**	**$28,461**	**$300**
0559-Labor and Workforce Development, Secy															
State Operations	1,112	3,319	--	4,431	--	3,486	7,467	--	10,953	--	2,568	8,040	--	10,608	--
Totals,0559-Labor and Workforce Development, Secy	**$1,112**	**$3,319**	**--**	**$4,431**	**--**	**$3,486**	**$7,467**	**--**	**$10,953**	**--**	**$2,568**	**$8,040**	**--**	**$10,608**	**--**
0650-Gov's Office of Land Use & Climate Innov															
State Operations	144,436	3,155	--	147,591	419	32,482	2,801	1,334	36,617	1,195	32,620	3,163	284	36,067	1,195
Local Assistance	145,167	15,771	--	160,938	1,800	--	1,303,287	23,500	1,326,787	2,200	--	166,992	216,500	383,492	1,800
Totals,0650-Gov's Office of Land Use & Climate Innov	**$289,603**	**$18,926**	**--**	**$308,529**	**$2,219**	**$32,482**	**$1,306,088**	**$24,834**	**$1,363,404**	**$3,395**	**$32,620**	**$170,155**	**$216,784**	**$419,559**	**$2,995**
0680-Gov Ofc Service and Community Engagement															
State Operations	122,571	9,378	--	131,949	385	119,912	--	--	119,912	2,055	102,672	--	--	102,672	2,091
Local Assistance	77,782	--	--	77,782	58,925	79,091	--	--	79,091	37,936	85,841	--	--	85,841	50,000
Totals,0680-Gov Ofc Service and Community Engagement	**$200,353**	**$9,378**	**--**	**$209,731**	**$59,310**	**$199,003**	**--**	**--**	**$199,003**	**$39,991**	**$188,513**	**--**	**--**	**$188,513**	**$52,091**
0690-Office of Emergency Services															
State Operations	441,163	51,490	3,061	495,714	3,254,476	376,816	57,784	4,111	438,711	2,366,565	305,459	58,096	4,111	367,666	461,602
Local Assistance	260,220	176,728	--	436,948	2,862,592	556,743	161,503	11,950	730,196	2,286,252	178,483	161,503	25,000	364,986	1,701,682
Capital Outlay	8,116	--	--	8,116	--	44,374	--	--	44,374	--	--	--	--	--	--
Totals,0690-Office of Emergency Services	**$709,499**	**$228,218**	**$3,061**	**$940,778**	**$6,117,068**	**$977,933**	**$219,287**	**$16,061**	**$1,213,281**	**$4,652,817**	**$483,942**	**$219,599**	**$29,111**	**$732,652**	**$2,163,284**
0720-Governors Portrait															
State Operations	--	--	--	--	--	--	--	--	--	--	33	--	--	33	--
Totals,0720-Governors Portrait	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**$33**	**--**	**--**	**$33**	**--**
0730-Governor Elect and Outgoing Governor															
State Operations	--	--	--	--	--	--	--	--	--	--	1,307	--	--	1,307	--
Totals,0730-Governor Elect and Outgoing Governor	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**$1,307**	**--**	**--**	**$1,307**	**--**
0750-Office of the Lieutenant Governor															
State Operations	2,331	--	--	2,331	--	2,828	--	--	2,828	--	2,828	--	--	2,828	--
Totals,0750-Office of the Lieutenant Governor	**$2,331**	**--**	**--**	**$2,331**	**--**	**$2,828**	**--**	**--**	**$2,828**	**--**	**$2,828**	**--**	**--**	**$2,828**	**--**
0820-Department of Justice															
State Operations	481,694	377,568	--	859,262	62,459	517,013	404,841	--	921,854	77,210	508,129	404,882	--	913,011	77,397
Local Assistance	--	20,758	--	20,758	--	10,000	28,528	--	38,528	--	--	28,528	--	28,528	--
Totals,0820-Department of Justice	**$481,694**	**$398,326**	**--**	**$880,020**	**$62,459**	**$527,013**	**$433,369**	**--**	**$960,382**	**$77,210**	**$508,129**	**$433,410**	**--**	**$941,539**	**$77,397**
0840-State Controller															
State Operations	140,952	13,085	--	154,037	1,645	192,366	13,248	304	205,918	1,673	173,434	13,258	304	186,996	1,721
Totals,0840-State Controller	**$140,952**	**$13,085**	**--**	**$154,037**	**$1,645**	**$192,366**	**$13,248**	**$304**	**$205,918**	**$1,673**	**$173,434**	**$13,258**	**$304**	**$186,996**	**$1,721**
0845-Department of Insurance															
State Operations	6,265	248,643	--	254,908	25	19,271	266,751	--	286,022	25	6,823	267,875	--	274,698	25
Local Assistance	--	84,434	--	84,434	--	--	82,772	--	82,772	--	--	82,772	--	82,772	--
Totals,0845-Department of Insurance	**$6,265**	**$333,077**	**--**	**$339,342**	**$25**	**$19,271**	**$349,523**	**--**	**$368,794**	**$25**	**$6,823**	**$350,647**	**--**	**$357,470**	**$25**
0855-Gambling Control Commission															
State Operations	--	8,138	--	8,138	--	--	8,848	--	8,848	--	--	9,325	--	9,325	--
Totals,0855-Gambling Control Commission	**--**	**$8,138**	**--**	**$8,138**	**--**	**--**	**$8,848**	**--**	**$8,848**	**--**	**--**	**$9,325**	**--**	**$9,325**	**--**

SCHEDULE 9 AT 2026-27 GOVERNOR'S BUDGET
COMPARATIVE STATEMENT OF EXPENDITURES
(Dollars In Thousands)

	Actual 2024-25					Estimated 2025-26					Estimated 2026-27				
	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds
0860-State Board of Equalization															
State Operations	29,815	--	--	29,815	--	33,857	--	--	33,857	--	37,321	--	--	37,321	--
Totals,0860-State Board of Equalization	**$29,815**	**--**	**--**	**$29,815**	**--**	**$33,857**	**--**	**--**	**$33,857**	**--**	**$37,321**	**--**	**--**	**$37,321**	**--**
0870-Office of Tax Appeals															
State Operations	24,960	--	--	24,960	--	27,871	--	--	27,871	--	28,267	--	--	28,267	--
Totals,0870-Office of Tax Appeals	**$24,960**	**--**	**--**	**$24,960**	**--**	**$27,871**	**--**	**--**	**$27,871**	**--**	**$28,267**	**--**	**--**	**$28,267**	**--**
0890-Secretary of State															
State Operations	80,077	83,602	--	163,679	13,110	116,785	97,806	--	214,591	16,248	84,512	96,220	--	180,732	15,106
Local Assistance	--	--	--	--	886	262,022	--	--	262,022	3,974	--	--	--	--	--
Totals,0890-Secretary of State	**$80,077**	**$83,602**	**--**	**$163,679**	**$13,996**	**$378,807**	**$97,806**	**--**	**$476,613**	**$20,222**	**$84,512**	**$96,220**	**--**	**$180,732**	**$15,106**
0911-Citizens Redistricting Commission															
State Operations	161	--	--	161	--	186	--	--	186	--	186	--	--	186	--
Totals,0911-Citizens Redistricting Commission	**$161**	**--**	**--**	**$161**	**--**	**$186**	**--**	**--**	**$186**	**--**	**$186**	**--**	**--**	**$186**	**--**
0950-State Treasurer															
State Operations	11,886	--	--	11,886	--	15,387	--	--	15,387	--	15,236	--	--	15,236	--
Totals,0950-State Treasurer	**$11,886**	**--**	**--**	**$11,886**	**--**	**$15,387**	**--**	**--**	**$15,387**	**--**	**$15,236**	**--**	**--**	**$15,236**	**--**
0954-Scholarshare Investment Board															
State Operations	2,622	--	--	2,622	--	3,993	--	--	3,993	--	3,994	--	--	3,994	--
Local Assistance	185,258	--	--	185,258	--	197,482	--	--	197,482	--	185,258	--	--	185,258	--
Totals,0954-Scholarshare Investment Board	**$187,880**	**--**	**--**	**$187,880**	**--**	**$201,475**	**--**	**--**	**$201,475**	**--**	**$189,252**	**--**	**--**	**$189,252**	**--**
0956-Debt Investment Advisory Commission															
State Operations	--	3,186	--	3,186	--	--	4,341	--	4,341	--	--	4,345	--	4,345	--
Totals,0956-Debt Investment Advisory Commission	**--**	**$3,186**	**--**	**$3,186**	**--**	**--**	**$4,341**	**--**	**$4,341**	**--**	**--**	**$4,345**	**--**	**$4,345**	**--**
0957-HOPE for Children Trust Account Prog Bd															
Local Assistance	15,000	--	--	15,000	--	15,000	--	--	15,000	--	15,000	--	--	15,000	--
Totals,0957-HOPE for Children Trust Account Prog Bd	**$15,000**	**--**	**--**	**$15,000**	**--**	**$15,000**	**--**	**--**	**$15,000**	**--**	**$15,000**	**--**	**--**	**$15,000**	**--**
0959-Debt Limit Allocation Committee															
State Operations	--	2,651	--	2,651	--	--	3,728	--	3,728	--	--	3,731	--	3,731	--
Totals,0959-Debt Limit Allocation Committee	**--**	**$2,651**	**--**	**$2,651**	**--**	**--**	**$3,728**	**--**	**$3,728**	**--**	**--**	**$3,731**	**--**	**$3,731**	**--**
0968-Tax Credit Allocation Committee															
State Operations	--	11,726	--	11,726	--	--	15,763	--	15,763	--	--	15,572	--	15,572	--
Local Assistance	--	68	--	68	--	--	190	--	190	--	--	190	--	190	--
Totals,0968-Tax Credit Allocation Committee	**--**	**$11,794**	**--**	**$11,794**	**--**	**--**	**$15,953**	**--**	**$15,953**	**--**	**--**	**$15,762**	**--**	**$15,762**	**--**
0971-Alt Energy, Advanced Trans Fin Auth															
State Operations	--	509	--	509	--	--	556	--	556	--	--	557	--	557	--
Totals,0971-Alt Energy, Advanced Trans Fin Auth	**--**	**$509**	**--**	**$509**	**--**	**--**	**$556**	**--**	**$556**	**--**	**--**	**$557**	**--**	**$557**	**--**
0977-Health Facilities Financing Authority															
State Operations	-5	139,494	623	140,112	--	5	140,000	1,511	141,516	--	--	140,000	1,512	141,512	--
Local Assistance	-20,626	32,578	16,297	28,249	--	20,626	4,000	147,000	171,626	--	--	4,000	155,000	159,000	--
Totals,0977-Health Facilities Financing Authority	**- $20,631**	**$172,072**	**$16,920**	**$168,361**	**--**	**$20,631**	**$144,000**	**$148,511**	**$313,142**	**--**	**--**	**$144,000**	**$156,512**	**$300,512**	**--**
0981-California ABLE Act Board															
State Operations	1,022	--	--	1,022	--	1,662	--	--	1,662	--	1,663	--	--	1,663	--
Totals,0981-California ABLE Act Board	**$1,022**	**--**	**--**	**$1,022**	**--**	**$1,662**	**--**	**--**	**$1,662**	**--**	**$1,663**	**--**	**--**	**$1,663**	**--**
0985-School Finance Authority															
State Operations	1,131	--	574	1,705	167	1,152	--	1,412	2,564	525	1,151	--	1,412	2,563	534
Local Assistance	168,041	--	--	168,041	19,500	181,733	--	--	181,733	20,000	190,911	--	--	190,911	20,000
Totals,0985-School Finance Authority	**$169,172**	**--**	**$574**	**$169,746**	**$19,667**	**$182,885**	**--**	**$1,412**	**$184,297**	**$20,525**	**$192,062**	**--**	**$1,412**	**$193,474**	**$20,534**
0989-Educational Facilities Authority															
State Operations	--	79	--	79	--	--	79	--	79	--	--	79	--	79	--
Totals,0989-Educational Facilities Authority	**--**	**$79**	**--**	**$79**	**--**	**--**	**$79**	**--**	**$79**	**--**	**--**	**$79**	**--**	**$79**	**--**
0996-General Obligation Bonds-LJE															
State Operations	14,710	--	--	14,710	--	8,997	--	--	8,997	--	10,177	--	--	10,177	--
Totals,0996-General Obligation Bonds-LJE	**$14,710**	**--**	**--**	**$14,710**	**--**	**$8,997**	**--**	**--**	**$8,997**	**--**	**$10,177**	**--**	**--**	**$10,177**	**--**

Executive

SCHEDULE 9 AT 2026-27 GOVERNOR'S BUDGET
COMPARATIVE STATEMENT OF EXPENDITURES
(Dollars In Thousands)

	Actual 2024-25					Estimated 2025-26					Estimated 2026-27				
	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds
State Operations	1,759,496	1,002,542	9,262	2,771,300	3,389,358	1,842,257	1,104,381	42,875	2,989,513	2,574,155	1,521,754	1,077,812	21,745	2,621,311	647,110
Local Assistance	3,853,446	2,068,060	20,879	5,942,385	3,050,064	4,415,053	4,032,647	486,348	8,934,048	2,505,503	1,486,512	935,237	853,561	3,275,310	1,873,145
Capital Outlay	8,116	--	--	8,116	--	44,374	--	--	44,374	--	--	--	--	--	--
Totals, Executive	**$5,621,058**	**$3,070,602**	**$30,141**	**$8,721,801**	**$6,439,422**	**$6,301,684**	**$5,137,028**	**$529,223**	**$11,967,935**	**$5,079,658**	**$3,008,266**	**$2,013,049**	**$875,306**	**$5,896,621**	**$2,520,255**
TOTALS, LEGISLATIVE, JUDICIAL, AND EXECUTIVE	**9,472,406**	**5,184,355**	**30,141**	**14,686,902**	**6,442,031**	**10,459,549**	**7,209,930**	**529,223**	**18,198,702**	**5,086,464**	**7,363,990**	**3,915,459**	**875,306**	**12,154,755**	**2,527,078**
State Operations	2,998,732	1,544,745	9,262	4,552,739	3,391,144	3,236,345	1,600,838	42,875	4,880,058	2,578,686	3,070,328	1,501,088	21,745	4,593,161	651,658
Local Assistance	6,465,558	3,339,610	20,879	9,826,047	3,050,887	7,083,939	5,359,092	486,348	12,929,379	2,507,778	4,239,756	2,264,371	853,561	7,357,688	1,875,420
Capital Outlay	8,116	300,000	--	308,116	--	139,265	250,000	--	389,265	--	53,906	150,000	--	203,906	--
BUSINESS AND CONSUMER SERVICES															
1045-Cannabis Control Appeals Panel															
State Operations	--	2,872	--	2,872	--	--	3,318	--	3,318	--	--	3,443	--	3,443	--
Totals,1045-Cannabis Control Appeals Panel	**--**	**$2,872**	**--**	**$2,872**	**--**	**--**	**$3,318**	**--**	**$3,318**	**--**	**--**	**$3,443**	**--**	**$3,443**	**--**
1111-Department of Consumer Affairs															
State Operations	4,639	638,333	--	642,972	4	21,999	725,988	--	747,987	317	--	741,797	--	741,797	320
Totals,1111-Department of Consumer Affairs	**$4,639**	**$638,333**	**--**	**$642,972**	**$4**	**$21,999**	**$725,988**	**--**	**$747,987**	**$317**	**--**	**$741,797**	**--**	**$741,797**	**$320**
1115-Department of Cannabis Control															
State Operations	1,496	147,418	--	148,914	--	276	197,484	--	197,760	--	--	197,472	--	197,472	--
Local Assistance	-2,793	--	--	-2,793	--	1,470	--	--	1,470	--	--	--	--	--	--
Totals,1115-Department of Cannabis Control	**- $1,297**	**$147,418**	**--**	**$146,121**	**--**	**$1,746**	**$197,484**	**--**	**$199,230**	**--**	**--**	**$197,472**	**--**	**$197,472**	**--**
1701-Dept Financial Protection and Innovation															
State Operations	308	164,245	--	164,553	--	--	177,389	--	177,389	--	--	180,834	--	180,834	--
Local Assistance	354	1,936	--	2,290	--	--	2,000	--	2,000	--	--	2,000	--	2,000	--
Totals,1701-Dept Financial Protection and Innovation	**$662**	**$166,181**	**--**	**$166,843**	**--**	**--**	**$179,389**	**--**	**$179,389**	**--**	**--**	**$182,834**	**--**	**$182,834**	**--**
1703-California Privacy Protection Agency															
State Operations	9,620	2,280	--	11,900	--	12,425	3,485	--	15,910	--	--	--	--	--	--
Totals,1703-California Privacy Protection Agency	**$9,620**	**$2,280**	**--**	**$11,900**	**--**	**$12,425**	**$3,485**	**--**	**$15,910**	**--**	**--**	**--**	**--**	**--**	**--**
1750-Horse Racing Board															
State Operations	--	19,429	--	19,429	--	--	19,927	--	19,927	--	--	19,888	--	19,888	--
Totals,1750-Horse Racing Board	**--**	**$19,429**	**--**	**$19,429**	**--**	**--**	**$19,927**	**--**	**$19,927**	**--**	**--**	**$19,888**	**--**	**$19,888**	**--**
1996-General Obligation Bonds-BCS															
State Operations	193,805	--	--	193,805	--	202,890	--	--	202,890	--	--	--	--	--	--
Totals,1996-General Obligation Bonds-BCS	**$193,805**	**--**	**--**	**$193,805**	**--**	**$202,890**	**--**	**--**	**$202,890**	**--**	**--**	**--**	**--**	**--**	**--**
2100-Department of Alcoholic Beverage Control															
State Operations	--	99,143	--	99,143	--	--	105,194	--	105,194	--	--	105,786	--	105,786	--
Local Assistance	--	2,938	--	2,938	--	--	3,000	--	3,000	--	--	3,000	--	3,000	--
Totals,2100-Department of Alcoholic Beverage Control	**--**	**$102,081**	**--**	**$102,081**	**--**	**--**	**$108,194**	**--**	**$108,194**	**--**	**--**	**$108,786**	**--**	**$108,786**	**--**
2120-Alcoholic Beverage Control Appeals Board															
State Operations	--	1,338	--	1,338	--	--	1,416	--	1,416	--	--	1,438	--	1,438	--
Totals,2120-Alcoholic Beverage Control Appeals Board	**--**	**$1,338**	**--**	**$1,338**	**--**	**--**	**$1,416**	**--**	**$1,416**	**--**	**--**	**$1,438**	**--**	**$1,438**	**--**
2320-Department of Real Estate															
State Operations	--	60,476	--	60,476	--	--	68,457	--	68,457	--	--	67,620	--	67,620	--
Totals,2320-Department of Real Estate	**--**	**$60,476**	**--**	**$60,476**	**--**	**--**	**$68,457**	**--**	**$68,457**	**--**	**--**	**$67,620**	**--**	**$67,620**	**--**
TOTALS, BUSINESS AND CONSUMER SERVICES	**207,429**	**1,140,408**	**--**	**1,347,837**	**4**	**239,060**	**1,307,658**	**--**	**1,546,718**	**317**	**--**	**1,323,278**	**--**	**1,323,278**	**320**
State Operations	209,868	1,135,534	--	1,345,402	4	237,590	1,302,658	--	1,540,248	317	--	1,318,278	--	1,318,278	320
Local Assistance	-2,439	4,874	--	2,435	--	1,470	5,000	--	6,470	--	--	5,000	--	5,000	--
HOUSING AND HOMELESSNESS															
1700-Civil Rights Department															
State Operations	48,873	9,766	--	58,639	6,076	71,348	493	--	71,841	6,123	62,526	493	--	63,019	5,756
Totals,1700-Civil Rights Department	**$48,873**	**$9,766**	**--**	**$58,639**	**$6,076**	**$71,348**	**$493**	**--**	**$71,841**	**$6,123**	**$62,526**	**$493**	**--**	**$63,019**	**$5,756**
2240-Dept of Housing Community Development															
State Operations	126,537	47,914	35,818	210,269	42,687	159,032	50,793	90,423	300,248	138,495	46,566	46,928	25,774	119,268	29,040
Local Assistance	1,858,433	731,101	147,804	2,737,338	535,423	1,862,455	866,414	2,348,702	5,077,571	942,234	553,629	--	375,532	929,161	225,000

SCHEDULE 9 AT 2026-27 GOVERNOR'S BUDGET
COMPARATIVE STATEMENT OF EXPENDITURES
(Dollars In Thousands)

	Actual 2024-25					Estimated 2025-26					Estimated 2026-27				
	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds
Totals,2240-Dept of Housing Community Development	**$1,984,970**	**$779,015**	**$183,622**	**$2,947,607**	**$578,110**	**$2,021,487**	**$917,207**	**$2,439,125**	**$5,377,819**	**$1,080,729**	**$600,195**	**$46,928**	**$401,306**	**$1,048,429**	**$254,040**
2245-California Housing Finance Agency															
Local Assistance	--	--	--	--	--	300,000	--	--	300,000	--	--	--	--	--	--
Totals,2245-California Housing Finance Agency	**--**	**--**	**--**	**--**	**--**	**$300,000**	**--**	**--**	**$300,000**	**--**	**--**	**--**	**--**	**--**	**--**
2250-Housing Development and Finance Committee															
State Operations	--	--	--	--	--	--	--	--	--	--	5,327	19,810	--	25,137	--
Local Assistance	--	--	--	--	--	--	--	--	--	--	--	376,390	--	376,390	--
Totals,2250-Housing Development and Finance Committee	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**$5,327**	**$396,200**	**--**	**$401,527**	**--**
2255-California Interagency Council on Homelessness															
State Operations	--	--	--	--	--	--	--	--	--	--	12,116	--	--	12,116	--
Totals,2255-California Interagency Council on Homelessness	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**$12,116**	**--**	**--**	**$12,116**	**--**
2496-General Obligation Bonds-Housing															
State Operations	--	--	--	--	--	--	--	--	--	--	357,576	--	--	357,576	--
Totals,2496-General Obligation Bonds-Housing	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**$357,576**	**--**	**--**	**$357,576**	**--**
TOTALS, HOUSING AND HOMELESSNESS	**2,033,843**	**788,781**	**183,622**	**3,006,246**	**584,186**	**2,392,835**	**917,700**	**2,439,125**	**5,749,660**	**1,086,852**	**1,037,740**	**443,621**	**401,306**	**1,882,667**	**259,796**
State Operations	175,410	57,680	35,818	268,908	48,763	230,380	51,286	90,423	372,089	144,618	484,111	67,231	25,774	577,116	34,796
Local Assistance	1,858,433	731,101	147,804	2,737,338	535,423	2,162,455	866,414	2,348,702	5,377,571	942,234	553,629	376,390	375,532	1,305,551	225,000
TRANSPORTATION															
2600-California Transportation Commission															
State Operations	--	8,903	--	8,903	--	--	8,763	--	8,763	--	--	8,554	--	8,554	--
Local Assistance	--	--	7,667	7,667	--	--	--	2,097	2,097	--	--	--	1,100	1,100	--
Totals,2600-California Transportation Commission	**--**	**$8,903**	**$7,667**	**$16,570**	**--**	**--**	**$8,763**	**$2,097**	**$10,860**	**--**	**--**	**$8,554**	**$1,100**	**$9,654**	**--**
2640-State Transit Assistance															
Local Assistance	--	1,134,557	--	1,134,557	--	--	1,127,911	--	1,127,911	--	--	1,000,251	--	1,000,251	--
Totals,2640-State Transit Assistance	**--**	**$1,134,557**	**--**	**$1,134,557**	**--**	**--**	**$1,127,911**	**--**	**$1,127,911**	**--**	**--**	**$1,000,251**	**--**	**$1,000,251**	**--**
2660-Department of Transportation															
State Operations	34,041	4,877,797	4,722	4,916,560	1,172,905	20,659	5,019,260	6,015	5,045,934	1,223,152	--	4,909,115	5,641	4,914,756	1,205,638
Local Assistance	124,347	945,361	10,999	1,080,707	1,807,618	140,393	1,043,679	8,716	1,192,788	2,635,333	--	1,203,771	4,105	1,207,876	2,852,994
Capital Outlay	38,500	1,963,517	71,378	2,073,395	2,820,998	42,942	2,544,966	31,315	2,619,223	3,953,476	--	2,283,494	14,844	2,298,338	3,970,861
Totals,2660-Department of Transportation	**$196,888**	**$7,786,675**	**$87,099**	**$8,070,662**	**$5,801,521**	**$203,994**	**$8,607,905**	**$46,046**	**$8,857,945**	**$7,811,961**	**--**	**$8,396,380**	**$24,590**	**$8,420,970**	**$8,029,493**
2665-High-Speed Rail Authority															
State Operations	--	49,577	33,435	83,012	--	--	129,058	39,202	168,260	--	--	72,851	39,877	112,728	--
Local Assistance	--	--	--	--	--	--	--	--	--	--	--	--	423,335	423,335	--
Capital Outlay	--	299,439	--	299,439	--	--	4,513,744	--	4,513,744	--	--	927,149	--	927,149	--
Totals,2665-High-Speed Rail Authority	**--**	**$349,016**	**$33,435**	**$382,451**	**--**	**--**	**$4,642,802**	**$39,202**	**$4,682,004**	**--**	**--**	**$1,000,000**	**$463,212**	**$1,463,212**	**--**
2667-High-Speed Rail Auth Ofc Inspector Genrl															
State Operations	--	2,179	--	2,179	--	--	4,367	--	4,367	--	--	4,744	--	4,744	--
Totals,2667-High-Speed Rail Auth Ofc Inspector Genrl	**--**	**$2,179**	**--**	**$2,179**	**--**	**--**	**$4,367**	**--**	**$4,367**	**--**	**--**	**$4,744**	**--**	**$4,744**	**--**
2670-Board of Pilot Commissioners															
State Operations	--	5,396	--	5,396	--	--	11,115	--	11,115	--	--	9,720	--	9,720	--
Totals,2670-Board of Pilot Commissioners	**--**	**$5,396**	**--**	**$5,396**	**--**	**--**	**$11,115**	**--**	**$11,115**	**--**	**--**	**$9,720**	**--**	**$9,720**	**--**
2720-Dept of the California Highway Patrol															
State Operations	47,988	3,171,272	--	3,219,260	29,322	22,268	3,215,409	--	3,237,677	42,707	28,360	3,194,039	--	3,222,399	39,123
Local Assistance	--	35,102	--	35,102	--	--	126,030	--	126,030	--	--	37,268	--	37,268	--
Capital Outlay	650	4,398	--	5,048	--	22,720	--	--	22,720	--	2,282	--	--	2,282	--
Totals,2720-Dept of the California Highway Patrol	**$48,638**	**$3,210,772**	**--**	**$3,259,410**	**$29,322**	**$44,988**	**$3,341,439**	**--**	**$3,386,427**	**$42,707**	**$30,642**	**$3,231,307**	**--**	**$3,261,949**	**$39,123**
2740-Department of Motor Vehicles															
State Operations	30,118	1,445,454	--	1,475,572	--	11,388	1,468,966	--	1,480,354	1,392	12,844	1,566,576	--	1,579,420	1,391
Local Assistance	--	2,093	--	2,093	--	--	2,204	--	2,204	--	--	2,204	--	2,204	--
Capital Outlay	3,409	--	--	3,409	--	2,540	--	--	2,540	--	--	--	--	--	--
Totals,2740-Department of Motor Vehicles	**$33,527**	**$1,447,547**	**--**	**$1,481,074**	**--**	**$13,928**	**$1,471,170**	**--**	**$1,485,098**	**$1,392**	**$12,844**	**$1,568,780**	**--**	**$1,581,624**	**$1,391**
2830-General Obligation Bonds-Transportation															
State Operations	380,037	1,387,171	--	1,767,208	--	501,010	1,433,472	--	1,934,482	--	411,297	1,455,873	--	1,867,170	--

SCHEDULE 9 AT 2026-27 GOVERNOR'S BUDGET
COMPARATIVE STATEMENT OF EXPENDITURES
(Dollars In Thousands)

	Actual 2024-25					Estimated 2025-26					Estimated 2026-27				
	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds
Totals,2830-General Obligation Bonds-Transportation	**$380,037**	**$1,387,171**	**--**	**$1,767,208**	**--**	**$501,010**	**$1,433,472**	**--**	**$1,934,482**	**--**	**$411,297**	**$1,455,873**	**--**	**$1,867,170**	**--**
OTALS, TRANSPORTATION	**659,090**	**15,332,216**	**128,201**	**16,119,507**	**5,830,843**	**763,920**	**20,648,944**	**87,345**	**21,500,209**	**7,856,060**	**454,783**	**16,675,609**	**488,902**	**17,619,294**	**8,070,007**
State Operations	492,184	10,947,749	38,157	11,478,090	1,202,227	555,325	11,290,410	45,217	11,890,952	1,267,251	452,501	11,221,472	45,518	11,719,491	1,246,152
Local Assistance	124,347	2,117,113	18,666	2,260,126	1,807,618	140,393	2,299,824	10,813	2,451,030	2,635,333	--	2,243,494	428,540	2,672,034	2,852,994
Capital Outlay	42,559	2,267,354	71,378	2,381,291	2,820,998	68,202	7,058,710	31,315	7,158,227	3,953,476	2,282	3,210,643	14,844	3,227,769	3,970,861
NATURAL RESOURCES															
3100-Exposition Park															
State Operations	37,839	12,384	--	50,223	1	31,260	12,943	--	44,203	--	116,903	34,782	--	151,685	--
Totals,3100-Exposition Park	**$37,839**	**$12,384**	**--**	**$50,223**	**$1**	**$31,260**	**$12,943**	**--**	**$44,203**	**--**	**$116,903**	**$34,782**	**--**	**$151,685**	**--**
3110-Special Resources Programs															
Local Assistance	--	5,206	--	5,206	--	--	5,753	--	5,753	--	--	5,653	--	5,653	--
Totals,3110-Special Resources Programs	**--**	**$5,206**	**--**	**$5,206**	**--**	**--**	**$5,753**	**--**	**$5,753**	**--**	**--**	**$5,653**	**--**	**$5,653**	**--**
3125-Tahoe Conservancy															
State Operations	8,963	5,385	171	14,519	796	19,425	7,154	1,559	28,138	2,933	32	6,030	1,513	7,575	3,264
Local Assistance	3,682	590	-53	4,219	--	--	694	31,331	32,025	--	--	450	--	450	--
Capital Outlay	--	734	4,117	4,851	--	--	100	7,376	7,476	150	--	--	3,900	3,900	--
Totals,3125-Tahoe Conservancy	**$12,645**	**$6,709**	**$4,235**	**$23,589**	**$796**	**$19,425**	**$7,948**	**$40,266**	**$67,639**	**$3,083**	**$32**	**$6,480**	**$5,413**	**$11,925**	**$3,264**
3340-California Conservation Corps															
State Operations	104,853	73,276	2,348	180,477	--	119,285	74,457	1,660	195,402	--	125,627	76,051	200	201,878	--
Local Assistance	-232	--	259	27	--	232	--	10,320	10,552	--	--	--	11,442	11,442	--
Capital Outlay	--	--	--	--	--	6,396	4,080	--	10,476	--	--	--	--	--	--
Totals,3340-California Conservation Corps	**$104,621**	**$73,276**	**$2,607**	**$180,504**	**--**	**$125,913**	**$78,537**	**$11,980**	**$216,430**	**--**	**$125,627**	**$76,051**	**$11,642**	**$213,320**	**--**
3355-Office of Energy Infrastructure Safety															
State Operations	--	40,132	--	40,132	--	--	48,638	--	48,638	--	--	42,496	--	42,496	--
Totals,3355-Office of Energy Infrastructure Safety	**--**	**$40,132**	**--**	**$40,132**	**--**	**--**	**$48,638**	**--**	**$48,638**	**--**	**--**	**$42,496**	**--**	**$42,496**	**--**
3360-Energy Resource Conservation, Dvlmt Comm															
State Operations	92,008	465,442	--	557,450	172,521	250	170,352	2,997	173,599	52,333	--	172,130	2,997	175,127	4,996
Local Assistance	172,450	1,337,477	--	1,509,927	585,068	8,750	282,850	271,863	563,463	632,905	--	244,850	--	244,850	6,020
Totals,3360-Energy Resource Conservation, Dvlmt Comm	**$264,458**	**$1,802,919**	**--**	**$2,067,377**	**$757,589**	**$9,000**	**$453,202**	**$274,860**	**$737,062**	**$685,238**	**--**	**$416,980**	**$2,997**	**$419,977**	**$11,016**
3480-Department of Conservation															
State Operations	27,537	169,247	278	197,062	40,788	17,092	183,537	3,136	203,765	5,658	9,219	188,014	2,385	199,618	5,518
Local Assistance	2,891	-9,745	-207	-7,061	--	1,506	130,594	60,961	193,061	--	--	--	133,600	133,600	--
Totals,3480-Department of Conservation	**$30,428**	**$159,502**	**$71**	**$190,001**	**$40,788**	**$18,598**	**$314,131**	**$64,097**	**$396,826**	**$5,658**	**$9,219**	**$188,014**	**$135,985**	**$333,218**	**$5,518**
3540-Department of Forestry, Fire Protection															
State Operations	3,398,222	302,825	--	3,701,047	43,378	1,848,244	1,236,427	27,594	3,112,265	37,504	2,111,515	1,487,939	12,816	3,612,270	25,581
Local Assistance	176,957	287,012	--	463,969	9,000	9,500	146,585	261,112	417,197	10,000	--	67,387	185,479	252,866	5,813
Capital Outlay	25,354	--	--	25,354	--	91,324	--	--	91,324	--	47,059	--	--	47,059	--
Totals,3540-Department of Forestry, Fire Protection	**$3,600,533**	**$589,837**	**--**	**$4,190,370**	**$52,378**	**$1,949,068**	**$1,383,012**	**$288,706**	**$3,620,786**	**$47,504**	**$2,158,574**	**$1,555,326**	**$198,295**	**$3,912,195**	**$31,394**
3560-State Lands Commission															
State Operations	24,173	23,578	--	47,751	20,348	48,817	22,885	--	71,702	1,443	21,750	25,168	--	46,918	--
Capital Outlay	1,625	--	--	1,625	--	--	--	--	--	--	--	--	--	--	--
Totals,3560-State Lands Commission	**$25,798**	**$23,578**	**--**	**$49,376**	**$20,348**	**$48,817**	**$22,885**	**--**	**$71,702**	**$1,443**	**$21,750**	**$25,168**	**--**	**$46,918**	**--**
3600-Department of Fish and Wildlife															
State Operations	176,582	321,396	46,429	544,407	75,580	217,588	339,708	40,300	597,596	91,077	180,613	328,647	53,143	562,403	92,123
Local Assistance	25,296	19,541	72,610	117,447	20,000	2,126	2,341	5,827	10,294	20,000	576	2,341	1	2,918	20,000
Totals,3600-Department of Fish and Wildlife	**$201,878**	**$340,937**	**$119,039**	**$661,854**	**$95,580**	**$219,714**	**$342,049**	**$46,127**	**$607,890**	**$111,077**	**$181,189**	**$330,988**	**$53,144**	**$565,321**	**$112,123**
3640-Wildlife Conservation Board															
State Operations	2,236	638	5,323	8,197	--	10,256	1,144	13,551	24,951	--	--	1,088	5,334	6,422	--
Local Assistance	132,785	52,827	36,491	222,103	--	13,495	119,813	413,034	546,342	--	--	--	161,835	161,835	--
Capital Outlay	20,041	9,818	2,207	32,066	10,619	21,185	47,927	200,585	269,697	35,000	21,403	-740	--	20,663	35,000
Totals,3640-Wildlife Conservation Board	**$155,062**	**$63,283**	**$44,021**	**$262,366**	**$10,619**	**$44,936**	**$168,884**	**$627,170**	**$840,990**	**$35,000**	**$21,403**	**$348**	**$167,169**	**$188,920**	**$35,000**
3720-Coastal Commission															
State Operations	26,280	3,400	--	29,680	3,797	38,740	3,665	--	42,405	4,248	28,569	3,856	--	32,425	3,591

SCHEDULE 9 AT 2026-27 GOVERNOR'S BUDGET
COMPARATIVE STATEMENT OF EXPENDITURES
(Dollars In Thousands)

	Actual 2024-25					Estimated 2025-26					Estimated 2026-27				
	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds
Local Assistance	10,620	140	--	10,760	--	8,718	380	--	9,098	--	--	380	--	380	--
Totals,3720-Coastal Commission	**$36,900**	**$3,540**	**--**	**$40,440**	**$3,797**	**$47,458**	**$4,045**	**--**	**$51,503**	**$4,248**	**$28,569**	**$4,236**	**--**	**$32,805**	**$3,591**
3760-State Coastal Conservancy															
State Operations	6,554	3,740	5,364	15,658	7	10,966	4,888	10,601	26,455	598	--	3,993	9,971	13,964	563
Local Assistance	160,777	8,374	25,819	194,970	18,878	99,979	48,113	347,498	495,590	38,750	--	825	68,147	68,972	10,000
Capital Outlay	--	381	--	381	--	--	15,619	--	15,619	--	--	--	--	--	--
Totals,3760-State Coastal Conservancy	**$167,331**	**$12,495**	**$31,183**	**$211,009**	**$18,885**	**$110,945**	**$68,620**	**$358,099**	**$537,664**	**$39,348**	**--**	**$4,818**	**$78,118**	**$82,936**	**$10,563**
3780-Native American Heritage Commission															
State Operations	2,624	--	--	2,624	--	3,807	--	--	3,807	--	3,813	--	--	3,813	--
Totals,3780-Native American Heritage Commission	**$2,624**	**--**	**--**	**$2,624**	**--**	**$3,807**	**--**	**--**	**$3,807**	**--**	**$3,813**	**--**	**--**	**$3,813**	**--**
3790-Department of Parks, Recreation															
State Operations	321,957	401,870	28,159	751,986	8,881	552,781	499,420	191,658	1,243,859	16,823	220,838	411,634	55,782	688,254	16,895
Local Assistance	34,276	31,599	4,453	70,328	54,221	37,700	63,945	294,642	396,287	137,012	3,000	35,400	--	38,400	87,700
Capital Outlay	2,544	19,963	28,411	50,918	--	39,851	65,603	79,590	185,044	--	2,100	5,133	2,000	9,233	--
Totals,3790-Department of Parks, Recreation	**$358,777**	**$453,432**	**$61,023**	**$873,232**	**$63,102**	**$630,332**	**$628,968**	**$565,890**	**$1,825,190**	**$153,835**	**$225,938**	**$452,167**	**$57,782**	**$735,887**	**$104,595**
3810-Santa Monica Mountains Conservancy															
State Operations	1,401	382	--	1,783	--	486	421	2,373	3,280	--	--	424	2,131	2,555	--
Local Assistance	906	318	15,737	16,961	--	7,159	3,718	128,513	139,390	--	--	120	13,000	13,120	--
Capital Outlay	--	--	115	115	--	--	--	--	--	--	--	--	--	--	--
Totals,3810-Santa Monica Mountains Conservancy	**$2,307**	**$700**	**$15,852**	**$18,859**	**--**	**$7,645**	**$4,139**	**$130,886**	**$142,670**	**--**	**--**	**$544**	**$15,131**	**$15,675**	**--**
3815-Salton Sea Conservancy															
State Operations	--	--	--	--	--	--	--	1,638	1,638	--	--	--	3,224	3,224	--
Totals,3815-Salton Sea Conservancy	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**$1,638**	**$1,638**	**--**	**--**	**--**	**$3,224**	**$3,224**	**--**
3820-SF Bay Conservation, Development Comm															
State Operations	7,802	2,003	--	9,805	244	11,057	2,080	--	13,137	251	11,474	2,086	--	13,560	233
Totals,3820-SF Bay Conservation, Development Comm	**$7,802**	**$2,003**	**--**	**$9,805**	**$244**	**$11,057**	**$2,080**	**--**	**$13,137**	**$251**	**$11,474**	**$2,086**	**--**	**$13,560**	**$233**
3825-San Gabriel,Lower LA River,Mtns Consvcy															
State Operations	796	-1,011	767	552	--	648	637	1,305	2,590	--	--	642	1,428	2,070	--
Local Assistance	31,818	--	53,026	84,844	--	3,103	--	44,518	47,621	--	--	--	21,269	21,269	--
Totals,3825-San Gabriel,Lower LA River,Mtns Consvcy	**$32,614**	**- $1,011**	**$53,793**	**$85,396**	**--**	**$3,751**	**$637**	**$45,823**	**$50,211**	**--**	**--**	**$642**	**$22,697**	**$23,339**	**--**
3830-San Joaquin River Conservancy															
State Operations	648	525	409	1,582	--	9,820	911	704	11,435	--	--	911	704	1,615	--
Local Assistance	2,165	--	--	2,165	--	50	--	5,115	5,165	--	--	--	5,035	5,035	--
Capital Outlay	1,200	--	--	1,200	--	--	--	--	--	--	--	--	--	--	--
Totals,3830-San Joaquin River Conservancy	**$4,013**	**$525**	**$409**	**$4,947**	**--**	**$9,870**	**$911**	**$5,819**	**$16,600**	**--**	**--**	**$911**	**$5,739**	**$6,650**	**--**
3835-Baldwin Hills and Urban Watersheds Cnsrv															
State Operations	47	450	142	639	--	29	463	1,148	1,640	--	--	464	933	1,397	--
Local Assistance	957	--	2,145	3,102	--	3,152	--	15,582	18,734	--	--	--	3,500	3,500	--
Capital Outlay	--	--	4,733	4,733	--	--	--	1,560	1,560	--	--	--	--	--	--
Totals,3835-Baldwin Hills and Urban Watersheds Cnsrv	**$1,004**	**$450**	**$7,020**	**$8,474**	**--**	**$3,181**	**$463**	**$18,290**	**$21,934**	**--**	**--**	**$464**	**$4,433**	**$4,897**	**--**
3840-Delta Protection Commission															
State Operations	--	1,397	--	1,397	187	--	1,532	--	1,532	252	--	1,532	--	1,532	180
Totals,3840-Delta Protection Commission	**--**	**$1,397**	**--**	**$1,397**	**$187**	**--**	**$1,532**	**--**	**$1,532**	**$252**	**--**	**$1,532**	**--**	**$1,532**	**$180**
3845-San Diego River Conservancy															
State Operations	235	401	--	636	--	516	441	403	1,360	--	--	442	663	1,105	--
Local Assistance	343	--	1,486	1,829	--	3,224	--	35,513	38,737	--	--	--	1,224	1,224	--
Totals,3845-San Diego River Conservancy	**$578**	**$401**	**$1,486**	**$2,465**	**--**	**$3,740**	**$441**	**$35,916**	**$40,097**	**--**	**--**	**$442**	**$1,887**	**$2,329**	**--**
3850-Coachella Valley Mountains Conservancy															
State Operations	138	445	134	717	--	30	456	254	740	--	--	457	138	595	--
Local Assistance	372	--	990	1,362	--	--	--	7,626	7,626	--	--	--	2,200	2,200	--
Capital Outlay	--	--	--	--	--	--	--	5,545	5,545	--	--	--	--	--	--
Totals,3850-Coachella Valley Mountains Conservancy	**$510**	**$445**	**$1,124**	**$2,079**	**--**	**$30**	**$456**	**$13,425**	**$13,911**	**--**	**--**	**$457**	**$2,338**	**$2,795**	**--**
3855-Sierra Nevada Conservancy															
State Operations	566	5,631	--	6,197	463	4,635	5,747	279	10,661	1,475	--	5,762	529	6,291	175

SCHEDULE 9 AT 2026-27 GOVERNOR'S BUDGET
COMPARATIVE STATEMENT OF EXPENDITURES
(Dollars In Thousands)

	Actual 2024-25					Estimated 2025-26					Estimated 2026-27				
	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds
Local Assistance	8,187	--	2,300	10,487	--	1,546	--	93,012	94,558	--	--	--	--	--	--
Totals,3855-Sierra Nevada Conservancy	**$8,753**	**$5,631**	**$2,300**	**$16,684**	**$463**	**$6,181**	**$5,747**	**$93,291**	**$105,219**	**$1,475**	**--**	**$5,762**	**$529**	**$6,291**	**$175**
3860-Department of Water Resources															
State Operations	770,635	490,534	40,003	1,301,172	90,157	1,245,502	43,861	40,396	1,329,759	143,313	247,916	45,350	62,027	355,293	102,536
Local Assistance	136,289	156,691	403,056	696,036	--	142,857	20,000	892,259	1,055,116	--	--	--	504,137	504,137	--
Capital Outlay	164,865	186,000	11,000	361,865	--	119,042	--	173,500	292,542	--	--	--	133,225	133,225	--
Totals,3860-Department of Water Resources	**$1,071,789**	**$833,225**	**$454,059**	**$2,359,073**	**$90,157**	**$1,507,401**	**$63,861**	**$1,106,155**	**$2,677,417**	**$143,313**	**$247,916**	**$45,350**	**$699,389**	**$992,655**	**$102,536**
3875-Sacramento-San Joaquin Delta Conservancy															
State Operations	1,389	128	664	2,181	--	1,511	130	1,062	2,703	681	1,511	130	811	2,452	681
Local Assistance	385	--	1,594	1,979	--	1,356	--	6,839	8,195	--	--	--	15,201	15,201	--
Totals,3875-Sacramento-San Joaquin Delta Conservancy	**$1,774**	**$128**	**$2,258**	**$4,160**	**--**	**$2,867**	**$130**	**$7,901**	**$10,898**	**$681**	**$1,511**	**$130**	**$16,012**	**$17,653**	**$681**
3882-General Obligation Bonds-Natural Res															
State Operations	1,314,611	--	--	1,314,611	--	1,564,490	--	--	1,564,490	--	1,720,474	--	--	1,720,474	--
Totals,3882-General Obligation Bonds-Natural Res	**$1,314,611**	**--**	**--**	**$1,314,611**	**--**	**$1,564,490**	**--**	**--**	**$1,564,490**	**--**	**$1,720,474**	**--**	**--**	**$1,720,474**	**--**
3885-Delta Stewardship Council															
State Operations	18,916	981	--	19,897	157	20,792	1,026	--	21,818	2,832	20,577	1,028	--	21,605	2,805
Totals,3885-Delta Stewardship Council	**$18,916**	**$981**	**--**	**$19,897**	**$157**	**$20,792**	**$1,026**	**--**	**$21,818**	**$2,832**	**$20,577**	**$1,028**	**--**	**$21,605**	**$2,805**
TOTALS, NATURAL RESOURCES	**7,463,565**	**4,432,105**	**800,480**	**12,696,150**	**1,155,091**	**6,400,278**	**3,621,038**	**3,736,339**	**13,757,655**	**1,235,238**	**4,894,969**	**3,202,855**	**1,481,924**	**9,579,748**	**423,674**
State Operations	6,347,012	2,325,179	130,191	8,802,382	457,305	5,778,027	2,662,923	342,618	8,783,568	361,421	4,820,831	2,841,056	216,729	7,878,616	259,141
Local Assistance	900,924	1,890,030	619,706	3,410,660	687,167	344,453	824,786	2,925,565	4,094,804	838,667	3,576	357,406	1,126,070	1,487,052	129,533
Capital Outlay	215,629	216,896	50,583	483,108	10,619	277,798	133,329	468,156	879,283	35,150	70,562	4,393	139,125	214,080	35,000
ENVIRONMENTAL PROTECTION															
3900-State Air Resources Board															
State Operations	5,345	601,657	1,326	608,328	18,357	14,572	489,456	1,326	505,354	18,414	2,193	566,838	1,326	570,357	18,465
Local Assistance	52,188	666,111	10,795	729,094	--	21,770	456,837	--	478,607	--	--	557,851	--	557,851	--
Totals,3900-State Air Resources Board	**$57,533**	**$1,267,768**	**$12,121**	**$1,337,422**	**$18,357**	**$36,342**	**$946,293**	**$1,326**	**$983,961**	**$18,414**	**$2,193**	**$1,124,689**	**$1,326**	**$1,128,208**	**$18,465**
3930-Department of Pesticide Regulation															
State Operations	4,715	97,499	--	102,214	2,414	6,005	113,915	--	119,920	2,386	--	114,130	--	114,130	2,390
Local Assistance	299	38,059	--	38,358	--	--	45,771	--	45,771	--	--	46,236	--	46,236	--
Totals,3930-Department of Pesticide Regulation	**$5,014**	**$135,558**	**--**	**$140,572**	**$2,414**	**$6,005**	**$159,686**	**--**	**$165,691**	**$2,386**	**--**	**$160,366**	**--**	**$160,366**	**$2,390**
3940-State Water Resources Control Board															
State Operations	96,829	508,114	7,108	612,051	249,237	94,263	545,379	17,105	656,747	332,556	69,438	548,683	12,221	630,342	345,129
Local Assistance	135,401	649,135	177,160	961,696	231,045	28,448	473,147	433,534	935,129	232,693	50	245,218	283,608	528,876	232,693
Totals,3940-State Water Resources Control Board	**$232,230**	**$1,157,249**	**$184,268**	**$1,573,747**	**$480,282**	**$122,711**	**$1,018,526**	**$450,639**	**$1,591,876**	**$565,249**	**$69,488**	**$793,901**	**$295,829**	**$1,159,218**	**$577,822**
3960-Department of Toxic Substances Control															
State Operations	46,502	371,373	--	417,875	29,033	40,104	425,111	--	465,215	34,367	31,922	358,588	--	390,510	34,562
Local Assistance	--	--	--	--	1,131	--	1,000	--	1,000	3,027	--	1,000	--	1,000	1,247
Totals,3960-Department of Toxic Substances Control	**$46,502**	**$371,373**	**--**	**$417,875**	**$30,164**	**$40,104**	**$426,111**	**--**	**$466,215**	**$37,394**	**$31,922**	**$359,588**	**--**	**$391,510**	**$35,809**
3970-Resources Recycling and Recovery															
State Operations	96,735	248,497	--	345,232	--	49,436	318,836	--	368,272	--	7,045	272,075	--	279,120	--
Local Assistance	-2,604	1,660,704	--	1,658,100	--	8,000	1,710,076	--	1,718,076	--	--	1,678,092	--	1,678,092	--
Totals,3970-Resources Recycling and Recovery	**$94,131**	**$1,909,201**	**--**	**$2,003,332**	**--**	**$57,436**	**$2,028,912**	**--**	**$2,086,348**	**--**	**$7,045**	**$1,950,167**	**--**	**$1,957,212**	**--**
3980-Environmental Health Hazard Assessment															
State Operations	10,162	15,246	--	25,408	--	10,992	17,588	--	28,580	--	10,809	17,671	--	28,480	--
Totals,3980-Environmental Health Hazard Assessment	**$10,162**	**$15,246**	**--**	**$25,408**	**--**	**$10,992**	**$17,588**	**--**	**$28,580**	**--**	**$10,809**	**$17,671**	**--**	**$28,480**	**--**
3996-General Obligation Bonds-Environmental															
State Operations	1,040	--	--	1,040	--	948	--	--	948	--	689	--	--	689	--
Totals,3996-General Obligation Bonds-Environmental	**$1,040**	**--**	**--**	**$1,040**	**--**	**$948**	**--**	**--**	**$948**	**--**	**$689**	**--**	**--**	**$689**	**--**
TOTALS, ENVIRONMENTAL PROTECTION	**446,612**	**4,856,395**	**196,389**	**5,499,396**	**531,217**	**274,538**	**4,597,116**	**451,965**	**5,323,619**	**623,443**	**122,146**	**4,406,382**	**297,155**	**4,825,683**	**634,486**
State Operations	261,328	1,842,386	8,434	2,112,148	299,041	216,320	1,910,285	18,431	2,145,036	387,723	122,096	1,877,985	13,547	2,013,628	400,546
Local Assistance	185,284	3,014,009	187,955	3,387,248	232,176	58,218	2,686,831	433,534	3,178,583	235,720	50	2,528,397	283,608	2,812,055	233,940

HEALTH AND HUMAN SERVICES

SCHEDULE 9 AT 2026-27 GOVERNOR'S BUDGET
COMPARATIVE STATEMENT OF EXPENDITURES
(Dollars In Thousands)

	Actual 2024-25					Estimated 2025-26					Estimated 2026-27				
	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds
4100-State Council-Developmental Disabilities															
State Operations	3,801	--	--	3,801	7,665	959	--	--	959	8,894	--	--	--	--	8,904
Totals,4100-State Council-Developmental Disabilities	**$3,801**	**--**	**--**	**$3,801**	**$7,665**	**$959**	**--**	**--**	**$959**	**$8,894**	**--**	**--**	**--**	**--**	**$8,904**
4120-Emergency Medical Services Authority															
State Operations	24,306	4,803	--	29,109	3,407	28,031	5,114	--	33,145	3,820	21,502	5,121	--	26,623	3,634
Local Assistance	10,705	--	--	10,705	--	11,320	300	--	11,620	671	11,320	300	--	11,620	671
Totals,4120-Emergency Medical Services Authority	**$35,011**	**$4,803**	**--**	**$39,814**	**$3,407**	**$39,351**	**$5,414**	**--**	**$44,765**	**$4,491**	**$32,822**	**$5,421**	**--**	**$38,243**	**$4,305**
4140-Dept Health Care Access and Information															
State Operations	38,089	98,677	--	136,766	1,597	84,472	121,166	--	205,638	1,343	87,613	108,697	--	196,310	1,647
Local Assistance	300,871	19,185	--	320,056	1,611	275,100	212,041	--	487,141	1,625	87,333	315,481	--	402,814	1,625
Totals,4140-Dept Health Care Access and Information	**$338,960**	**$117,862**	**--**	**$456,822**	**$3,208**	**$359,572**	**$333,207**	**--**	**$692,779**	**$2,968**	**$174,946**	**$424,178**	**--**	**$599,124**	**$3,272**
4150-Department of Managed Health Care															
State Operations	--	141,161	--	141,161	--	--	182,259	--	182,259	--	--	185,859	--	185,859	--
Totals,4150-Department of Managed Health Care	**--**	**$141,161**	**--**	**$141,161**	**--**	**--**	**$182,259**	**--**	**$182,259**	**--**	**--**	**$185,859**	**--**	**$185,859**	**--**
4170-California Department of Aging															
State Operations	20,107	2,891	--	22,998	15,634	26,804	775	--	27,579	17,776	24,716	1,026	--	25,742	18,107
Local Assistance	109,788	10,721	--	120,509	199,638	170,893	4,476	--	175,369	217,612	138,903	7,716	--	146,619	217,612
Totals,4170-California Department of Aging	**$129,895**	**$13,612**	**--**	**$143,507**	**$215,272**	**$197,697**	**$5,251**	**--**	**$202,948**	**$235,388**	**$163,619**	**$8,742**	**--**	**$172,361**	**$235,719**
4180-Commission on Aging															
State Operations	47	--	--	47	840	48	--	--	48	941	48	--	--	48	964
Totals,4180-Commission on Aging	**$47**	**--**	**--**	**$47**	**$840**	**$48**	**--**	**--**	**$48**	**$941**	**$48**	**--**	**--**	**$48**	**$964**
4185-California Senior Legislature															
State Operations	206	--	--	206	--	300	--	--	300	--	300	--	--	300	--
Totals,4185-California Senior Legislature	**$206**	**--**	**--**	**$206**	**--**	**$300**	**--**	**--**	**$300**	**--**	**$300**	**--**	**--**	**$300**	**--**
4250-Children and Families Commission															
State Operations	--	1,507	--	1,507	--	--	3,562	--	3,562	--	--	3,562	--	3,562	--
Local Assistance	--	276,366	--	276,366	--	--	266,673	--	266,673	--	--	266,673	--	266,673	--
Totals,4250-Children and Families Commission	**--**	**$277,873**	**--**	**$277,873**	**--**	**--**	**$270,235**	**--**	**$270,235**	**--**	**--**	**$270,235**	**--**	**$270,235**	**--**
4260-State Department of Health Care Services															
State Operations	409,626	339,141	10,422	759,189	534,464	386,937	323,621	23,982	734,540	667,275	348,394	296,980	23,974	669,348	644,227
Local Assistance	38,255,599	32,117,909	330,000	70,703,508	106,453,741	46,723,535	26,885,609	426,100	74,035,244	119,936,119	49,177,488	31,394,102	426,100	80,997,690	137,822,685
Totals,4260-State Department of Health Care Services	**$38,665,225**	**$32,457,050**	**$340,422**	**$71,462,697**	**$106,988,205**	**$47,110,472**	**$27,209,230**	**$450,082**	**$74,769,784**	**$120,603,394**	**$49,525,882**	**$31,691,082**	**$450,074**	**$81,667,038**	**$138,466,912**
4265-Department of Public Health															
State Operations	502,851	568,180	--	1,071,031	509,037	451,245	611,856	--	1,063,101	600,912	300,435	613,268	--	913,703	601,812
Local Assistance	409,235	483,626	--	892,861	1,661,699	404,586	575,225	--	979,811	1,803,127	324,537	765,502	--	1,090,039	1,724,692
Totals,4265-Department of Public Health	**$912,086**	**$1,051,806**	**--**	**$1,963,892**	**$2,170,736**	**$855,831**	**$1,187,081**	**--**	**$2,042,912**	**$2,404,039**	**$624,972**	**$1,378,770**	**--**	**$2,003,742**	**$2,326,504**
4300-Department of Developmental Services															
State Operations	356,672	633	--	357,305	2,782	385,640	977	--	386,617	4,116	382,149	977	--	383,126	4,167
Local Assistance	9,477,842	18,469	--	9,496,311	55,577	11,587,928	1,324	--	11,589,252	55,482	13,154,785	890	--	13,155,675	55,399
Capital Outlay	--	--	--	--	--	2,196	--	--	2,196	--	--	--	--	--	--
Totals,4300-Department of Developmental Services	**$9,834,514**	**$19,102**	**--**	**$9,853,616**	**$58,359**	**$11,975,764**	**$2,301**	**--**	**$11,978,065**	**$59,598**	**$13,536,934**	**$1,867**	**--**	**$13,538,801**	**$59,566**
4440-Department of State Hospitals															
State Operations	2,793,776	--	--	2,793,776	--	2,894,956	--	--	2,894,956	100	2,957,559	--	--	2,957,559	100
Capital Outlay	6,507	--	--	6,507	--	59,010	--	--	59,010	--	9,026	--	--	9,026	--
Totals,4440-Department of State Hospitals	**$2,800,283**	**--**	**--**	**$2,800,283**	**--**	**$2,953,966**	**--**	**--**	**$2,953,966**	**$100**	**$2,966,585**	**--**	**--**	**$2,966,585**	**$100**
4560-Behavioral Hlth Svcs Ovrst Acntblty Comm															
State Operations	--	21,433	--	21,433	--	--	36,744	--	36,744	--	--	17,134	--	17,134	--
Local Assistance	--	45,126	--	45,126	--	--	41,507	--	41,507	--	--	54,306	--	54,306	--
Totals,4560-Behavioral Hlth Svcs Ovrst Acntblty Comm	**--**	**$66,559**	**--**	**$66,559**	**--**	**--**	**$78,251**	**--**	**$78,251**	**--**	**--**	**$71,440**	**--**	**$71,440**	**--**
4700-Dept of Community Services, Development															
State Operations	1,028	155	--	1,183	23,658	452	2,897	230	3,579	28,358	--	--	230	230	28,603
Local Assistance	101	--	--	101	305,344	--	--	--	--	380,846	--	--	9,229	9,229	315,846
Totals,4700-Dept of Community Services, Development	**$1,129**	**$155**	**--**	**$1,284**	**$329,002**	**$452**	**$2,897**	**$230**	**$3,579**	**$409,204**	**--**	**--**	**$9,459**	**$9,459**	**$344,449**
4800-California Health Benefit Exchange															

SCHEDULE 9 AT 2026-27 GOVERNOR'S BUDGET
COMPARATIVE STATEMENT OF EXPENDITURES
(Dollars In Thousands)

	Actual 2024-25					Estimated 2025-26					Estimated 2026-27				
	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds
Local Assistance	11,467	79,246	--	90,713	--	20,350	207,000	--	227,350	--	20,350	207,000	--	227,350	--
Totals,4800-California Health Benefit Exchange	**$11,467**	**$79,246**	**--**	**$90,713**	**--**	**$20,350**	**$207,000**	**--**	**$227,350**	**--**	**$20,350**	**$207,000**	**--**	**$227,350**	**--**
5160-Department of Rehabilitation															
State Operations	80,927	3,796	--	84,723	455,736	78,197	3,666	--	81,863	465,526	78,316	3,667	--	81,983	467,770
Local Assistance	6,375	--	--	6,375	10,066	6,375	--	--	6,375	10,066	6,375	--	--	6,375	10,066
Totals,5160-Department of Rehabilitation	**$87,302**	**$3,796**	**--**	**$91,098**	**$465,802**	**$84,572**	**$3,666**	**--**	**$88,238**	**$475,592**	**$84,691**	**$3,667**	**--**	**$88,358**	**$477,836**
5175-Department of Child Support Services															
State Operations	62,084	--	--	62,084	136,934	65,316	--	--	65,316	149,753	65,436	--	--	65,436	150,856
Local Assistance	302,917	--	--	302,917	545,355	306,669	--	--	306,669	584,548	312,600	--	--	312,600	595,164
Totals,5175-Department of Child Support Services	**$365,001**	**--**	**--**	**$365,001**	**$682,289**	**$371,985**	**--**	**--**	**$371,985**	**$734,301**	**$378,036**	**--**	**--**	**$378,036**	**$746,020**
5180-Department of Social Services															
State Operations	363,324	50,351	--	413,675	513,030	409,104	37,514	--	446,618	634,872	386,046	40,014	--	426,060	633,160
Local Assistance	19,556,877	133,476	--	19,690,353	11,130,885	24,665,930	1,277	--	24,667,207	11,253,114	25,424,130	1,270	--	25,425,400	10,096,776
Totals,5180-Department of Social Services	**$19,920,201**	**$183,827**	**--**	**$20,104,028**	**$11,643,915**	**$25,075,034**	**$38,791**	**--**	**$25,113,825**	**$11,887,986**	**$25,810,176**	**$41,284**	**--**	**$25,851,460**	**$10,729,936**
5195-State-Local Realignment, 1991															
Local Assistance	--	7,438,471	--	7,438,471	--	--	7,671,324	--	7,671,324	--	--	7,857,997	--	7,857,997	--
Totals,5195-State-Local Realignment, 1991	**--**	**$7,438,471**	**--**	**$7,438,471**	**--**	**--**	**$7,671,324**	**--**	**$7,671,324**	**--**	**--**	**$7,857,997**	**--**	**$7,857,997**	**--**
5196-State-Local Realignment, 2011															
Local Assistance	42,758	6,409,545	--	6,452,303	--	46,478	6,618,338	--	6,664,816	--	48,187	6,738,156	--	6,786,343	--
Totals,5196-State-Local Realignment, 2011	**$42,758**	**$6,409,545**	**--**	**$6,452,303**	**--**	**$46,478**	**$6,618,338**	**--**	**$6,664,816**	**--**	**$48,187**	**$6,738,156**	**--**	**$6,786,343**	**--**
5206-General Obligation Bonds-HHS															
State Operations	78,775	--	--	78,775	--	51,340	--	--	51,340	--	341,767	--	--	341,767	--
Totals,5206-General Obligation Bonds-HHS	**$78,775**	**--**	**--**	**$78,775**	**--**	**$51,340**	**--**	**--**	**$51,340**	**--**	**$341,767**	**--**	**--**	**$341,767**	**--**
TOTALS, HEALTH AND HUMAN SERVICES	**73,226,661**	**48,264,868**	**340,422**	**121,831,951**	**122,568,700**	**89,144,171**	**43,815,245**	**450,312**	**133,409,728**	**136,826,896**	**93,709,315**	**48,885,698**	**459,533**	**143,054,546**	**153,404,487**
State Operations	4,735,619	1,232,728	10,422	5,978,769	2,204,784	4,863,801	1,330,151	24,212	6,218,164	2,583,686	4,994,281	1,276,305	24,204	6,294,790	2,563,951
Local Assistance	68,484,535	47,032,140	330,000	115,846,675	120,363,916	84,219,164	42,485,094	426,100	127,130,358	134,243,210	88,706,008	47,609,393	435,329	136,750,730	150,840,536
Capital Outlay	6,507	--	--	6,507	--	61,206	--	--	61,206	--	9,026	--	--	9,026	--
CORRECTIONS AND REHABILITATION															
5225-Corrections and Rehabilitation															
State Operations	13,334,329	1,093	--	13,335,422	2,883	13,833,045	--	--	13,833,045	1,647	13,593,282	--	--	13,593,282	1,647
Local Assistance	166,067	-1,000	--	165,067	--	182,678	-1,000	--	181,678	--	180,225	-1,000	--	179,225	--
Capital Outlay	3,371	--	--	3,371	--	14,260	--	--	14,260	--	9,210	--	--	9,210	--
Totals,5225-Corrections and Rehabilitation	**$13,503,767**	**$93**	**--**	**$13,503,860**	**$2,883**	**$14,029,983**	**- $1,000**	**--**	**$14,028,983**	**$1,647**	**$13,782,717**	**- $1,000**	**--**	**$13,781,717**	**$1,647**
5227-Board of State and Community Corrections															
State Operations	39,849	556	--	40,405	877	65,482	2,113	--	67,595	4,399	77,371	1,538	--	78,909	4,354
Local Assistance	273,134	169,655	--	442,789	40,591	124,736	155,801	--	280,537	59,139	57,970	133,802	--	191,772	59,139
Totals,5227-Board of State and Community Corrections	**$312,983**	**$170,211**	**--**	**$483,194**	**$41,468**	**$190,218**	**$157,914**	**--**	**$348,132**	**$63,538**	**$135,341**	**$135,340**	**--**	**$270,681**	**$63,493**
5228-Safe Neighborhoods and Schools Act															
Local Assistance	94,773	-94,773	--	--	--	91,499	-91,499	--	--	--	81,292	-81,292	--	--	--
Totals,5228-Safe Neighborhoods and Schools Act	**$94,773**	**- $94,773**	**--**	**--**	**--**	**$91,499**	**- $91,499**	**--**	**--**	**--**	**$81,292**	**- $81,292**	**--**	**--**	**--**
5296-Enhancing Law Enforcement Activities															
Local Assistance	--	489,900	--	489,900	--	--	489,900	--	489,900	--	--	489,900	--	489,900	--
Totals,5296-Enhancing Law Enforcement Activities	**--**	**$489,900**	**--**	**$489,900**	**--**	**--**	**$489,900**	**--**	**$489,900**	**--**	**--**	**$489,900**	**--**	**$489,900**	**--**
5396-Trial Court Security 2011 Realignment															
Local Assistance	--	648,857	--	648,857	--	--	660,402	--	660,402	--	--	667,523	--	667,523	--
Totals,5396-Trial Court Security 2011 Realignment	**--**	**$648,857**	**--**	**$648,857**	**--**	**--**	**$660,402**	**--**	**$660,402**	**--**	**--**	**$667,523**	**--**	**$667,523**	**--**
5496-Local Community Corrections															
Local Assistance	--	1,979,936	--	1,979,936	--	--	2,066,522	--	2,066,522	--	--	2,119,930	--	2,119,930	--
Totals,5496-Local Community Corrections	**--**	**$1,979,936**	**--**	**$1,979,936**	**--**	**--**	**$2,066,522**	**--**	**$2,066,522**	**--**	**--**	**$2,119,930**	**--**	**$2,119,930**	**--**
5596-Dist Attorney and Public Defender Svcs															
Local Assistance	--	82,502	--	82,502	--	--	88,274	--	88,274	--	--	91,835	--	91,835	--
Totals,5596-Dist Attorney and Public Defender Svcs	**--**	**$82,502**	**--**	**$82,502**	**--**	**--**	**$88,274**	**--**	**$88,274**	**--**	**--**	**$91,835**	**--**	**$91,835**	**--**
5696-Juvenile Justice Programs															

SCHEDULE 9 AT 2026-27 GOVERNOR'S BUDGET
COMPARATIVE STATEMENT OF EXPENDITURES
(Dollars In Thousands)

	Actual 2024-25					Estimated 2025-26					Estimated 2026-27				
	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds
Local Assistance	--	251,232	--	251,232	--	--	262,776	--	262,776	--	--	269,898	--	269,898	--
Totals,5696-Juvenile Justice Programs	**--**	**$251,232**	**--**	**$251,232**	**--**	**--**	**$262,776**	**--**	**$262,776**	**--**	**--**	**$269,898**	**--**	**$269,898**	**--**
5796-Enhancing Law Enforcement Act Growth															
Local Assistance	--	401,572	--	401,572	--	--	427,922	--	427,922	--	--	443,631	--	443,631	--
Totals,5796-Enhancing Law Enforcement Act Growth	**--**	**$401,572**	**--**	**$401,572**	**--**	**--**	**$427,922**	**--**	**$427,922**	**--**	**--**	**$443,631**	**--**	**$443,631**	**--**
5990-Federal Immigration Funding-Incarceratn															
State Operations	-45,973	--	--	-45,973	45,973	-46,200	--	--	-46,200	46,200	-46,200	--	--	-46,200	46,200
Totals,5990-Federal Immigration Funding-Incarceratn	**- $45,973**	**--**	**--**	**- $45,973**	**$45,973**	**- $46,200**	**--**	**--**	**- $46,200**	**$46,200**	**- $46,200**	**--**	**--**	**- $46,200**	**$46,200**
5996-General Obligation Bonds-DCR															
State Operations	3,296	--	--	3,296	--	2,058	--	--	2,058	--	1,430	--	--	1,430	--
Totals,5996-General Obligation Bonds-DCR	**$3,296**	**--**	**--**	**$3,296**	**--**	**$2,058**	**--**	**--**	**$2,058**	**--**	**$1,430**	**--**	**--**	**$1,430**	**--**
TOTALS, CORRECTIONS AND REHABILITATION	**13,868,846**	**3,929,530**	**--**	**17,798,376**	**90,324**	**14,267,558**	**4,061,211**	**--**	**18,328,769**	**111,385**	**13,954,580**	**4,135,765**	**--**	**18,090,345**	**111,340**
State Operations	13,331,501	1,649	--	13,333,150	49,733	13,854,385	2,113	--	13,856,498	52,246	13,625,883	1,538	--	13,627,421	52,201
Local Assistance	533,974	3,927,881	--	4,461,855	40,591	398,913	4,059,098	--	4,458,011	59,139	319,487	4,134,227	--	4,453,714	59,139
Capital Outlay	3,371	--	--	3,371	--	14,260	--	--	14,260	--	9,210	--	--	9,210	--
EDUCATION															
6100-Department of Education															
State Operations	263,247	3,859	--	267,106	165,766	285,318	4,005	5,581	294,904	196,117	286,512	3,876	5,479	295,867	190,765
Local Assistance	78,613,212	85,508	--	78,698,720	7,613,080	74,173,742	63,161	13,838	74,250,741	8,069,387	81,056,417	60,616	--	81,117,033	7,817,657
Capital Outlay	--	--	--	--	--	4,230	--	--	4,230	--	14,710	--	--	14,710	--
Totals, 6100-Department of Education	**$78,876,459**	**$89,367**	**--**	**$78,965,826**	**$7,778,846**	**$74,463,290**	**$67,166**	**$19,419**	**$74,549,875**	**$8,265,504**	**$81,357,639**	**$64,492**	**$5,479**	**$81,427,610**	**$8,008,422**
6120-State Library															
State Operations	27,270	195	--	27,465	6,840	33,544	199	--	33,743	8,576	38,654	199	--	38,853	8,580
Local Assistance	74,897	552	--	75,449	8,617	-10,870	552	--	-10,318	9,870	25,558	552	--	26,110	9,870
Totals, 6120-State Library	**$102,167**	**$747**	**--**	**$102,914**	**$15,457**	**$22,674**	**$751**	**--**	**$23,425**	**$18,446**	**$64,212**	**$751**	**--**	**$64,963**	**$18,450**
6125-Education Audit Appeals Panel															
State Operations	938	--	--	938	--	1,369	--	--	1,369	--	1,171	--	--	1,171	--
Totals, 6125-Education Audit Appeals Panel	**$938**	**--**	**--**	**$938**	**--**	**$1,369**	**--**	**--**	**$1,369**	**--**	**$1,171**	**--**	**--**	**$1,171**	**--**
6255-Summer School for the Arts															
State Operations	3,356	--	--	3,356	--	1,370	--	--	1,370	--	2,870	--	--	2,870	--
Totals, 6255-Summer School for the Arts	**$3,356**	**--**	**--**	**$3,356**	**--**	**$1,370**	**--**	**--**	**$1,370**	**--**	**$2,870**	**--**	**--**	**$2,870**	**--**
6300-Teachers Retirement System Contributions															
Local Assistance	4,257,737	--	--	4,257,737	--	4,632,466	--	--	4,632,466	--	4,775,704	--	--	4,775,704	--
Totals, 6300-Teachers Retirement System Contributions	**$4,257,737**	**--**	**--**	**$4,257,737**	**--**	**$4,632,466**	**--**	**--**	**$4,632,466**	**--**	**$4,775,704**	**--**	**--**	**$4,775,704**	**--**
6305-Retirement Costs for Community Colleges															
Local Assistance	-314,017	--	--	-314,017	--	-350,404	--	--	-350,404	--	-365,567	--	--	-365,567	--
Totals, 6305-Retirement Costs for Community Colleges	**- $314,017**	**--**	**--**	**- $314,017**	**--**	**- $350,404**	**--**	**--**	**- $350,404**	**--**	**- $365,567**	**--**	**--**	**- $365,567**	**--**
6350-School Facilities Aid Program															
Local Assistance	933,479	-28,034	58,181	963,626	--	166,270	-3,460	1,429,234	1,592,044	--	45,531	33,077	1,570,338	1,648,946	--
Totals, 6350-School Facilities Aid Program	**$933,479**	**- $28,034**	**$58,181**	**$963,626**	**--**	**$166,270**	**- $3,460**	**$1,429,234**	**$1,592,044**	**--**	**$45,531**	**$33,077**	**$1,570,338**	**$1,648,946**	**--**
6360-Commission on Teacher Credentialing															
State Operations	5,555	28,206	--	33,761	--	7,410	33,707	--	41,117	--	10,581	34,202	--	44,783	--
Local Assistance	300,000	--	--	300,000	--	70,000	--	--	70,000	--	250,000	--	--	250,000	--
Totals, 6360-Commission on Teacher Credentialing	**$305,555**	**$28,206**	**--**	**$333,761**	**--**	**$77,410**	**$33,707**	**--**	**$111,117**	**--**	**$260,581**	**$34,202**	**--**	**$294,783**	**--**
6396-General Obligation Bonds-K-12															
State Operations	2,542,623	--	--	2,542,623	--	2,271,301	--	--	2,271,301	--	2,415,363	--	--	2,415,363	--
Totals, 6396-General Obligation Bonds-K-12	**$2,542,623**	**--**	**--**	**$2,542,623**	**--**	**$2,271,301**	**--**	**--**	**$2,271,301**	**--**	**$2,415,363**	**--**	**--**	**$2,415,363**	**--**
K-12 Education															
State Operations	2,842,989	32,260	--	2,875,249	172,606	2,600,312	37,911	5,581	2,643,804	204,693	2,755,151	38,277	5,479	2,798,907	199,345
Local Assistance	83,865,308	58,026	58,181	83,981,515	7,621,697	78,681,204	60,253	1,443,072	80,184,529	8,079,257	85,787,643	94,245	1,570,338	87,452,226	7,827,527
Capital Outlay	--	--	--	--	--	4,230	--	--	4,230	--	14,710	--	--	14,710	--
Totals, K-12 Education	**$86,708,297**	**$90,286**	**$58,181**	**$86,856,764**	**$7,794,303**	**$81,285,746**	**$98,164**	**$1,448,653**	**$82,832,563**	**$8,283,950**	**$88,557,504**	**$132,522**	**$1,575,817**	**$90,265,843**	**$8,026,872**
6440-University of California															

SCHEDULE 9 AT 2026-27 GOVERNOR'S BUDGET
COMPARATIVE STATEMENT OF EXPENDITURES
(Dollars In Thousands)

	Actual 2024-25					Estimated 2025-26					Estimated 2026-27				
	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds
State Operations	4,864,580	150,676	--	5,015,256	5,526,398	4,943,070	163,672	--	5,106,742	5,552,500	5,444,332	154,137	--	5,598,469	5,488,500
Capital Outlay	--	--	--	--	--	--	--	2,647	2,647	--	--	--	--	--	--
Totals, 6440-University of California	**$4,864,580**	**$150,676**	**--**	**$5,015,256**	**$5,526,398**	**$4,943,070**	**$163,672**	**$2,647**	**$5,109,389**	**$5,552,500**	**$5,444,332**	**$154,137**	**--**	**$5,598,469**	**$5,488,500**
6445-Institute for Regenerative Medicine															
State Operations	--	2,000	25,121	27,121	--	--	5,000	34,815	39,815	--	--	5,000	34,815	39,815	--
Local Assistance	--	--	219,045	219,045	--	--	--	407,322	407,322	--	--	--	505,700	505,700	--
Totals, 6445-Institute for Regenerative Medicine	**--**	**$2,000**	**$244,166**	**$246,166**	**--**	**--**	**$5,000**	**$442,137**	**$447,137**	**--**	**--**	**$5,000**	**$540,515**	**$545,515**	**--**
6600-College of the Law, San Francisco															
State Operations	26,273	--	--	26,273	--	38,025	--	--	38,025	--	38,024	--	--	38,024	--
Totals, 6600-College of the Law, San Francisco	**$26,273**	**--**	**--**	**$26,273**	**--**	**$38,025**	**--**	**--**	**$38,025**	**--**	**$38,024**	**--**	**--**	**$38,024**	**--**
6610-California State University															
State Operations	5,030,013	2,000	--	5,032,013	1,975,860	5,145,731	2,500	--	5,148,231	1,975,860	5,589,534	2,000	--	5,591,534	1,975,860
Totals, 6610-California State University	**$5,030,013**	**$2,000**	**--**	**$5,032,013**	**$1,975,860**	**$5,145,731**	**$2,500**	**--**	**$5,148,231**	**$1,975,860**	**$5,589,534**	**$2,000**	**--**	**$5,591,534**	**$1,975,860**
6645-CSU Health Benefits, Retired Annuitants															
State Operations	454,195	--	--	454,195	--	541,880	--	--	541,880	--	602,155	--	--	602,155	--
Totals, 6645-CSU Health Benefits, Retired Annuitants	**$454,195**	**--**	**--**	**$454,195**	**--**	**$541,880**	**--**	**--**	**$541,880**	**--**	**$602,155**	**--**	**--**	**$602,155**	**--**
6870-Board of Governors of Community Colleges															
State Operations	24,742	123	2,859	27,724	--	26,297	125	2,926	29,348	--	26,968	126	2,934	30,028	--
Local Assistance	9,327,951	5,225	--	9,333,176	--	8,370,577	3,688	--	8,374,265	--	9,336,697	3,965	--	9,340,662	--
Capital Outlay	--	--	184,564	184,564	--	--	--	350,588	350,588	--	--	--	736,889	736,889	--
Totals, 6870-Board of Governors of Community Colleges	**$9,352,693**	**$5,348**	**$187,423**	**$9,545,464**	**--**	**$8,396,874**	**$3,813**	**$353,514**	**$8,754,201**	**--**	**$9,363,665**	**$4,091**	**$739,823**	**$10,107,579**	**--**
6874-General Obligation Bonds-Hi Ed-CC															
State Operations	287,282	--	--	287,282	--	294,470	--	--	294,470	--	400,519	--	--	400,519	--
Totals, 6874-General Obligation Bonds-Hi Ed-CC	**$287,282**	**--**	**--**	**$287,282**	**--**	**$294,470**	**--**	**--**	**$294,470**	**--**	**$400,519**	**--**	**--**	**$400,519**	**--**
6878-Retirement Costs-Hi Ed-CC															
Local Assistance	314,017	--	--	314,017	--	350,404	--	--	350,404	--	365,567	--	--	365,567	--
Totals, 6878-Retirement Costs-Hi Ed-CC	**$314,017**	**--**	**--**	**$314,017**	**--**	**$350,404**	**--**	**--**	**$350,404**	**--**	**$365,567**	**--**	**--**	**$365,567**	**--**
6980-Student Aid Commission															
State Operations	24,773	--	--	24,773	--	25,145	--	--	25,145	--	26,767	--	--	26,767	--
Local Assistance	3,088,448	30	--	3,088,478	--	2,624,244	200	--	2,624,444	--	3,927,168	400	--	3,927,568	--
Totals, 6980-Student Aid Commission	**$3,113,221**	**$30**	**--**	**$3,113,251**	**--**	**$2,649,389**	**$200**	**--**	**$2,649,589**	**--**	**$3,953,935**	**$400**	**--**	**$3,954,335**	**--**
7996-General Obligation Bonds-Hi Ed															
State Operations	82,480	--	46,396	128,876	--	84,699	--	55,159	139,858	--	216,461	--	--	216,461	--
Totals, 7996-General Obligation Bonds-Hi Ed	**$82,480**	**--**	**$46,396**	**$128,876**	**--**	**$84,699**	**--**	**$55,159**	**$139,858**	**--**	**$216,461**	**--**	**--**	**$216,461**	**--**
Higher Education															
State Operations	10,794,338	154,799	74,376	11,023,513	7,502,258	11,099,317	171,297	92,900	11,363,514	7,528,360	12,344,760	161,263	37,749	12,543,772	7,464,360
Local Assistance	12,730,416	5,255	219,045	12,954,716	--	11,345,225	3,888	407,322	11,756,435	--	13,629,432	4,365	505,700	14,139,497	--
Capital Outlay	--	--	184,564	184,564	--	--	--	353,235	353,235	--	--	--	736,889	736,889	--
Totals, Higher Education	**$23,524,754**	**$160,054**	**$477,985**	**$24,162,793**	**$7,502,258**	**$22,444,542**	**$175,185**	**$853,457**	**$23,473,184**	**$7,528,360**	**$25,974,192**	**$165,628**	**$1,280,338**	**$27,420,158**	**$7,464,360**
TOTALS, EDUCATION	**110,233,051**	**250,340**	**536,166**	**111,019,557**	**15,296,561**	**103,730,288**	**273,349**	**2,302,110**	**106,305,747**	**15,812,310**	**114,531,696**	**298,150**	**2,856,155**	**117,686,001**	**15,491,232**
State Operations	13,637,327	187,059	74,376	13,898,762	7,674,864	13,699,629	209,208	98,481	14,007,318	7,733,053	15,099,911	199,540	43,228	15,342,679	7,663,705
Local Assistance	96,595,724	63,281	277,226	96,936,231	7,621,697	90,026,429	64,141	1,850,394	91,940,964	8,079,257	99,417,075	98,610	2,076,038	101,591,723	7,827,527
Capital Outlay	--	--	184,564	184,564	--	4,230	--	353,235	357,465	--	14,710	--	736,889	751,599	--
LABOR AND WORKFORCE DEVELOPMENT															
7100-Employment Development Department															
State Operations	641,487	180,956	--	822,443	807,342	875,603	283,931	--	1,159,534	1,322,590	852,810	285,972	--	1,138,782	1,277,753
Local Assistance	3,079	--	--	3,079	6,277,562	96,921	--	--	96,921	7,721,646	50,000	--	--	50,000	7,229,094
Totals,7100-Employment Development Department	**$644,566**	**$180,956**	**--**	**$825,522**	**$7,084,904**	**$972,524**	**$283,931**	**--**	**$1,256,455**	**$9,044,236**	**$902,810**	**$285,972**	**--**	**$1,188,782**	**$8,506,847**
7120-Workforce Development Board															
State Operations	10,840	256	--	11,096	20,032	5,032	261	--	5,293	13,376	6,278	261	--	6,539	11,059
Local Assistance	77,790	14,807	--	92,597	--	78,250	170	--	78,420	--	20,000	--	--	20,000	--
Totals,7120-Workforce Development Board	**$88,630**	**$15,063**	**--**	**$103,693**	**$20,032**	**$83,282**	**$431**	**--**	**$83,713**	**$13,376**	**$26,278**	**$261**	**--**	**$26,539**	**$11,059**
7300-Agricultural Labor Relations Board															

SCHEDULE 9 AT 2026-27 GOVERNOR'S BUDGET
COMPARATIVE STATEMENT OF EXPENDITURES
(Dollars In Thousands)

	Actual 2024-25					Estimated 2025-26					Estimated 2026-27				
	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds
State Operations	11,185	4,124	--	15,309	--	11,645	8,444	--	20,089	--	11,815	9,798	--	21,613	--
Totals,7300-Agricultural Labor Relations Board	**$11,185**	**$4,124**	**--**	**$15,309**	**--**	**$11,645**	**$8,444**	**--**	**$20,089**	**--**	**$11,815**	**$9,798**	**--**	**$21,613**	**--**
7320-Public Employment Relations Board															
State Operations	17,392	--	--	17,392	--	20,099	--	--	20,099	--	27,243	--	--	27,243	--
Totals,7320-Public Employment Relations Board	**$17,392**	**--**	**--**	**$17,392**	**--**	**$20,099**	**--**	**--**	**$20,099**	**--**	**$27,243**	**--**	**--**	**$27,243**	**--**
7350-Department of Industrial Relations															
State Operations	24,298	730,946	--	755,244	35,714	39,242	886,291	--	925,533	38,161	14,981	863,492	--	878,473	38,286
Local Assistance	--	37,234	--	37,234	--	--	81,350	--	81,350	--	--	--	--	--	--
Totals,7350-Department of Industrial Relations	**$24,298**	**$768,180**	**--**	**$792,478**	**$35,714**	**$39,242**	**$967,641**	**--**	**$1,006,883**	**$38,161**	**$14,981**	**$863,492**	**--**	**$878,473**	**$38,286**
TOTALS, LABOR AND WORKFORCE DEVELOPMENT	**786,071**	**968,323**	**--**	**1,754,394**	**7,140,650**	**1,126,792**	**1,260,447**	**--**	**2,387,239**	**9,095,773**	**983,127**	**1,159,523**	**--**	**2,142,650**	**8,556,192**
State Operations	705,202	916,282	--	1,621,484	863,088	951,621	1,178,927	--	2,130,548	1,374,127	913,127	1,159,523	--	2,072,650	1,327,098
Local Assistance	80,869	52,041	--	132,910	6,277,562	175,171	81,520	--	256,691	7,721,646	70,000	--	--	70,000	7,229,094
GOVERNMENT OPERATIONS															
7501-Department of Human Resources															
State Operations	31,995	--	--	31,995	--	37,355	75	--	37,430	--	30,847	75	--	30,922	--
Totals,7501-Department of Human Resources	**$31,995**	**--**	**--**	**$31,995**	**--**	**$37,355**	**$75**	**--**	**$37,430**	**--**	**$30,847**	**$75**	**--**	**$30,922**	**--**
7502-Department of Technology															
State Operations	1,281,070	--	--	1,281,070	1,224,041	57,301	--	--	57,301	--	56,275	--	--	56,275	--
Totals,7502-Department of Technology	**$1,281,070**	**--**	**--**	**$1,281,070**	**$1,224,041**	**$57,301**	**--**	**--**	**$57,301**	**--**	**$56,275**	**--**	**--**	**$56,275**	**--**
7503-State Personnel Board															
State Operations	2,535	--	--	2,535	--	1,902	--	--	1,902	--	1,998	--	--	1,998	--
Totals,7503-State Personnel Board	**$2,535**	**--**	**--**	**$2,535**	**--**	**$1,902**	**--**	**--**	**$1,902**	**--**	**$1,998**	**--**	**--**	**$1,998**	**--**
7504-Office of Data and Innovation															
State Operations	19,138	6,683	--	25,821	--	19,153	7,200	--	26,353	--	16,146	5,200	--	21,346	--
Totals,7504-Office of Data and Innovation	**$19,138**	**$6,683**	**--**	**$25,821**	**--**	**$19,153**	**$7,200**	**--**	**$26,353**	**--**	**$16,146**	**$5,200**	**--**	**$21,346**	**--**
7600-Department of Tax and Fee Administration															
State Operations	354,248	81,885	--	436,133	113	389,647	114,464	--	504,111	224	393,964	124,947	--	518,911	221
Totals,7600-Department of Tax and Fee Administration	**$354,248**	**$81,885**	**--**	**$436,133**	**$113**	**$389,647**	**$114,464**	**--**	**$504,111**	**$224**	**$393,964**	**$124,947**	**--**	**$518,911**	**$221**
7730-Franchise Tax Board															
State Operations	1,120,969	20,385	--	1,141,354	--	1,200,687	29,433	--	1,230,120	--	1,146,092	27,662	--	1,173,754	--
Capital Outlay	5,265	--	--	5,265	--	--	--	--	--	--	--	--	--	--	--
Totals,7730-Franchise Tax Board	**$1,126,234**	**$20,385**	**--**	**$1,146,619**	**--**	**$1,200,687**	**$29,433**	**--**	**$1,230,120**	**--**	**$1,146,092**	**$27,662**	**--**	**$1,173,754**	**--**
7760-Department of General Services															
State Operations	161,720	163,253	--	324,973	--	168,361	193,310	12,186	373,857	--	368,044	189,228	10,501	567,773	--
Local Assistance	--	--	--	--	--	42,885	--	--	42,885	--	--	--	--	--	--
Capital Outlay	300,000	-300,000	--	--	--	250,000	-250,000	--	--	--	150,000	-150,000	--	--	--
Totals,7760-Department of General Services	**$461,720**	**- $136,747**	**--**	**$324,973**	**--**	**$461,246**	**- $56,690**	**$12,186**	**$416,742**	**--**	**$518,044**	**$39,228**	**$10,501**	**$567,773**	**--**
7870-California Victim Compensation Board															
State Operations	897	40,377	--	41,274	581	1,300	47,606	--	48,906	1,818	1,328	47,570	--	48,898	1,812
Local Assistance	27,201	32,163	--	59,364	29,972	40,735	45,124	--	85,859	34,196	47,500	34,103	--	81,603	34,196
Totals,7870-California Victim Compensation Board	**$28,098**	**$72,540**	**--**	**$100,638**	**$30,553**	**$42,035**	**$92,730**	**--**	**$134,765**	**$36,014**	**$48,828**	**$81,673**	**--**	**$130,501**	**$36,008**
7900-Public Employees Retirement System															
State Operations	337,000	--	--	337,000	--	956,000	--	--	956,000	--	2,467,000	--	--	2,467,000	--
Totals,7900-Public Employees Retirement System	**$337,000**	**--**	**--**	**$337,000**	**--**	**$956,000**	**--**	**--**	**$956,000**	**--**	**$2,467,000**	**--**	**--**	**$2,467,000**	**--**
7910-Office of Administrative Law															
State Operations	3,413	--	--	3,413	--	3,453	--	--	3,453	--	3,519	--	--	3,519	--
Totals,7910-Office of Administrative Law	**$3,413**	**--**	**--**	**$3,413**	**--**	**$3,453**	**--**	**--**	**$3,453**	**--**	**$3,519**	**--**	**--**	**$3,519**	**--**
TOTALS, GOVERNMENT OPERATIONS	**3,645,451**	**44,746**	**--**	**3,690,197**	**1,254,707**	**3,168,779**	**187,212**	**12,186**	**3,368,177**	**36,238**	**4,682,713**	**278,785**	**10,501**	**4,971,999**	**36,229**
State Operations	3,312,985	312,583	--	3,625,568	1,224,735	2,835,159	392,088	12,186	3,239,433	2,042	4,485,213	394,682	10,501	4,890,396	2,033
Local Assistance	27,201	32,163	--	59,364	29,972	83,620	45,124	--	128,744	34,196	47,500	34,103	--	81,603	34,196
Capital Outlay	305,265	-300,000	--	5,265	--	250,000	-250,000	--	--	--	150,000	-150,000	--	--	--

GENERAL GOVERNMENT

SCHEDULE 9 AT 2026-27 GOVERNOR'S BUDGET
COMPARATIVE STATEMENT OF EXPENDITURES
(Dollars In Thousands)

	Actual 2024-25					Estimated 2025-26					Estimated 2026-27				
	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds
8120-Peace Officer Standards, Training Comm															
State Operations	30,448	--	--	30,448	--	36,553	--	--	36,553	--	32,030	--	--	32,030	--
Local Assistance	13,975	--	--	13,975	--	20,000	--	--	20,000	--	20,000	--	--	20,000	--
Totals, 8120-Peace Officer Standards, Training Comm	**$44,423**	**--**	**--**	**$44,423**	**--**	**$56,553**	**--**	**--**	**$56,553**	**--**	**$52,030**	**--**	**--**	**$52,030**	**--**
8140-State Public Defender															
State Operations	26,536	--	--	26,536	--	22,760	--	--	22,760	--	24,006	--	--	24,006	--
Local Assistance	--	--	--	--	--	15,050	--	--	15,050	--	--	--	--	--	--
Totals, 8140-State Public Defender	**$26,536**	**--**	**--**	**$26,536**	**--**	**$37,810**	**--**	**--**	**$37,810**	**--**	**$24,006**	**--**	**--**	**$24,006**	**--**
8260-Arts Council															
State Operations	11,362	670	--	12,032	1,174	13,204	879	--	14,083	985	10,707	879	--	11,586	986
Local Assistance	27,650	288	--	27,938	100	20,300	233	--	20,533	650	24,300	251	--	24,551	400
Totals, 8260-Arts Council	**$39,012**	**$958**	**--**	**$39,970**	**$1,274**	**$33,504**	**$1,112**	**--**	**$34,616**	**$1,635**	**$35,007**	**$1,130**	**--**	**$36,137**	**$1,386**
8385-Citizens Compensation Commission															
State Operations	4	--	--	4	--	9	--	--	9	--	9	--	--	9	--
Totals, 8385-Citizens Compensation Commission	**$4**	**--**	**--**	**$4**	**--**	**$9**	**--**	**--**	**$9**	**--**	**$9**	**--**	**--**	**$9**	**--**
8570-Department of Food and Agriculture															
State Operations	207,624	150,655	128	358,407	150,674	179,596	183,648	24,808	388,052	132,551	179,774	159,672	4,958	344,404	132,375
Local Assistance	95,584	117,925	812	214,321	--	53,162	64,684	145,750	263,596	--	33,784	51,497	71,039	156,320	--
Capital Outlay	-2,867	--	--	-2,867	--	595	--	--	595	--	--	--	--	--	--
Totals, 8570-Department of Food and Agriculture	**$300,341**	**$268,580**	**$940**	**$569,861**	**$150,674**	**$233,353**	**$248,332**	**$170,558**	**$652,243**	**$132,551**	**$213,558**	**$211,169**	**$75,997**	**$500,724**	**$132,375**
8615-California Privacy Protection Agency															
State Operations	--	--	--	--	--	--	--	--	--	--	12,629	4,849	--	17,478	--
Totals, 8615-California Privacy Protection Agency	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**$12,629**	**$4,849**	**--**	**$17,478**	**--**
8620-Fair Political Practices Commission															
State Operations	18,658	--	--	18,658	--	19,563	--	--	19,563	--	20,332	--	--	20,332	--
Totals, 8620-Fair Political Practices Commission	**$18,658**	**--**	**--**	**$18,658**	**--**	**$19,563**	**--**	**--**	**$19,563**	**--**	**$20,332**	**--**	**--**	**$20,332**	**--**
8640-Political Reform Act of 1974															
State Operations	--	--	--	--	--	--	--	--	--	--	3,578	--	--	3,578	--
Totals, 8640-Political Reform Act of 1974	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**$3,578**	**--**	**--**	**$3,578**	**--**
8660-Public Utilities Commission															
State Operations	240,882	411,631	--	652,513	570,448	158,705	530,054	--	688,759	2,116,133	--	521,030	--	521,030	12,693
Local Assistance	333,367	1,698,241	--	2,031,608	--	87,498	1,609,755	--	1,697,253	--	--	1,537,298	--	1,537,298	--
Totals, 8660-Public Utilities Commission	**$574,249**	**$2,109,872**	**--**	**$2,684,121**	**$570,448**	**$246,203**	**$2,139,809**	**--**	**$2,386,012**	**$2,116,133**	**--**	**$2,058,328**	**--**	**$2,058,328**	**$12,693**
8780-Milton Marks Little Hoover Commission															
State Operations	1,334	--	--	1,334	--	1,399	--	--	1,399	--	1,400	--	--	1,400	--
Totals, 8780-Milton Marks Little Hoover Commission	**$1,334**	**--**	**--**	**$1,334**	**--**	**$1,399**	**--**	**--**	**$1,399**	**--**	**$1,400**	**--**	**--**	**$1,400**	**--**
8820-Comm on the Status of Women and Girls															
State Operations	1,364	--	--	1,364	--	1,623	--	--	1,623	--	2,194	--	--	2,194	--
Totals, 8820-Comm on the Status of Women and Girls	**$1,364**	**--**	**--**	**$1,364**	**--**	**$1,623**	**--**	**--**	**$1,623**	**--**	**$2,194**	**--**	**--**	**$2,194**	**--**
8825-Comm on Asian & Pacf Islndr Amer Affairs															
State Operations	891	--	--	891	--	2,162	--	--	2,162	--	971	--	--	971	--
Totals, 8825-Comm on Asian & Pacf Islndr Amer Affairs	**$891**	**--**	**--**	**$891**	**--**	**$2,162**	**--**	**--**	**$2,162**	**--**	**$971**	**--**	**--**	**$971**	**--**
8855-California State Auditor's Office															
State Operations	21,108	388	--	21,496	--	28,043	400	--	28,443	--	29,531	400	--	29,931	--
Totals, 8855-California State Auditor's Office	**$21,108**	**$388**	**--**	**$21,496**	**--**	**$28,043**	**$400**	**--**	**$28,443**	**--**	**$29,531**	**$400**	**--**	**$29,931**	**--**
8860-Department of Finance															
State Operations	55,516	457	--	55,973	--	82,044	--	--	82,044	--	60,284	770	--	61,054	--
Totals, 8860-Department of Finance	**$55,516**	**$457**	**--**	**$55,973**	**--**	**$82,044**	**--**	**--**	**$82,044**	**--**	**$60,284**	**$770**	**--**	**$61,054**	**--**
8880-Financial Information System for CA															
State Operations	87,397	--	--	87,397	--	140,777	--	--	140,777	--	84,680	--	--	84,680	--
Totals, 8880-Financial Information System for CA	**$87,397**	**--**	**--**	**$87,397**	**--**	**$140,777**	**--**	**--**	**$140,777**	**--**	**$84,680**	**--**	**--**	**$84,680**	**--**
8885-Commission on State Mandates															
State Operations	3,161	--	--	3,161	--	3,211	--	--	3,211	--	3,239	--	--	3,239	--
Local Assistance	85,376	1,941	--	87,317	--	91,643	2,460	--	94,103	--	88,742	2,468	--	91,210	--

SCHEDULE 9 AT 2026-27 GOVERNOR'S BUDGET
COMPARATIVE STATEMENT OF EXPENDITURES
(Dollars In Thousands)

	Actual 2024-25					Estimated 2025-26					Estimated 2026-27				
	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds
Totals, 8885-Commission on State Mandates	**$88,537**	**$1,941**	**--**	**$90,478**	**--**	**$94,854**	**$2,460**	**--**	**$97,314**	**--**	**$91,981**	**$2,468**	**--**	**$94,449**	**--**
8940-Military Department															
State Operations	185,986	3,810	--	189,796	137,229	168,765	4,558	--	173,323	143,456	172,645	4,622	--	177,267	170,464
Local Assistance	10	--	--	10	--	60	--	--	60	--	60	--	--	60	--
Totals, 8940-Military Department	**$185,996**	**$3,810**	**--**	**$189,806**	**$137,229**	**$168,825**	**$4,558**	**--**	**$173,383**	**$143,456**	**$172,705**	**$4,622**	**--**	**$177,327**	**$170,464**
8951-Federal Per Diem for Veterans Housing															
State Operations	-79,822	--	--	-79,822	79,822	-77,084	--	--	-77,084	77,084	-87,465	--	--	-87,465	87,465
Totals, 8951-Federal Per Diem for Veterans Housing	**- $79,822**	**--**	**--**	**- $79,822**	**$79,822**	**- $77,084**	**--**	**--**	**- $77,084**	**$77,084**	**- $87,465**	**--**	**--**	**- $87,465**	**$87,465**
8955-Department of Veterans Affairs															
State Operations	510,404	357	512	511,273	3,117	538,265	495	534	539,294	3,501	560,008	497	535	561,040	3,551
Local Assistance	16,000	34,612	--	50,612	--	15,500	2,270	--	17,770	--	11,000	2,270	--	13,270	--
Capital Outlay	-1,400	--	--	-1,400	--	38,756	--	--	38,756	--	--	--	--	--	209,342
Totals, 8955-Department of Veterans Affairs	**$525,004**	**$34,969**	**$512**	**$560,485**	**$3,117**	**$592,521**	**$2,765**	**$534**	**$595,820**	**$3,501**	**$571,008**	**$2,767**	**$535**	**$574,310**	**$212,893**
8998-General Obligation Bonds-Gen Govt															
State Operations	2,291	--	--	2,291	--	2,327	--	--	2,327	--	2,292	--	--	2,292	--
Totals, 8998-General Obligation Bonds-Gen Govt	**$2,291**	**--**	**--**	**$2,291**	**--**	**$2,327**	**--**	**--**	**$2,327**	**--**	**$2,292**	**--**	**--**	**$2,292**	**--**
Non-Agency Departments															
State Operations	1,325,144	567,968	640	1,893,752	942,464	1,321,922	720,034	25,342	2,067,298	2,473,710	1,112,844	692,719	5,493	1,811,056	407,534
Local Assistance	571,962	1,853,007	812	2,425,781	100	303,213	1,679,402	145,750	2,128,365	650	177,886	1,593,784	71,039	1,842,709	400
Capital Outlay	-4,267	--	--	-4,267	--	39,351	--	--	39,351	--	--	--	--	--	209,342
Totals, Non-Agency Departments	**$1,892,839**	**$2,420,975**	**$1,452**	**$4,315,266**	**$942,564**	**$1,664,486**	**$2,399,436**	**$171,092**	**$4,235,014**	**$2,474,360**	**$1,290,730**	**$2,286,503**	**$76,532**	**$3,653,765**	**$617,276**
9100-Tax Relief															
Local Assistance	385,145	-696	--	384,449	--	413,001	7,000	--	420,001	--	400,001	7,000	--	407,001	--
Totals, 9100-Tax Relief	**$385,145**	**- $696**	**--**	**$384,449**	**--**	**$413,001**	**$7,000**	**--**	**$420,001**	**--**	**$400,001**	**$7,000**	**--**	**$407,001**	**--**
9210-Local Government Financing															
Local Assistance	200,477	--	--	200,477	--	316,036	--	--	316,036	--	52,599	--	--	52,599	--
Totals, 9210-Local Government Financing	**$200,477**	**--**	**--**	**$200,477**	**--**	**$316,036**	**--**	**--**	**$316,036**	**--**	**$52,599**	**--**	**--**	**$52,599**	**--**
9285-Trial Court Security-Court Construction															
Local Assistance	9,023	--	--	9,023	--	20,000	--	--	20,000	--	20,000	--	--	20,000	--
Totals, 9285-Trial Court Security-Court Construction	**$9,023**	**--**	**--**	**$9,023**	**--**	**$20,000**	**--**	**--**	**$20,000**	**--**	**$20,000**	**--**	**--**	**$20,000**	**--**
9286-Trial Court Security - Judgeships															
Local Assistance	7,420	--	--	7,420	--	7,420	--	--	7,420	--	7,420	--	--	7,420	--
Totals, 9286-Trial Court Security - Judgeships	**$7,420**	**--**	**--**	**$7,420**	**--**	**$7,420**	**--**	**--**	**$7,420**	**--**	**$7,420**	**--**	**--**	**$7,420**	**--**
9300-Payment to Counties for Homicide Trials															
Local Assistance	17	--	--	17	--	1	--	--	1	--	1	--	--	1	--
Totals, 9300-Payment to Counties for Homicide Trials	**$17**	**--**	**--**	**$17**	**--**	**$1**	**--**	**--**	**$1**	**--**	**$1**	**--**	**--**	**$1**	**--**
9350-Shared Revenues															
Local Assistance	313	3,704,200	--	3,704,513	14,058	253	3,718,913	--	3,719,166	14,058	253	3,861,160	--	3,861,413	14,058
Totals, 9350-Shared Revenues	**$313**	**$3,704,200**	**--**	**$3,704,513**	**$14,058**	**$253**	**$3,718,913**	**--**	**$3,719,166**	**$14,058**	**$253**	**$3,861,160**	**--**	**$3,861,413**	**$14,058**
Tax Relief-Local Gov															
Local Assistance	602,395	3,703,504	--	4,305,899	14,058	756,711	3,725,913	--	4,482,624	14,058	480,274	3,868,160	--	4,348,434	14,058
Totals, Tax Relief-Local Gov	**$602,395**	**$3,703,504**	**--**	**$4,305,899**	**$14,058**	**$756,711**	**$3,725,913**	**--**	**$4,482,624**	**$14,058**	**$480,274**	**$3,868,160**	**--**	**$4,348,434**	**$14,058**
9600-Debt Service GO Bonds Commercial Paper															
State Operations	37,933	--	--	37,933	--	65,868	--	--	65,868	--	72,600	--	--	72,600	--
Totals, 9600-Debt Service GO Bonds Commercial Paper	**$37,933**	**--**	**--**	**$37,933**	**--**	**$65,868**	**--**	**--**	**$65,868**	**--**	**$72,600**	**--**	**--**	**$72,600**	**--**
9612-Enhanced Tobacco Asset-Backed Bonds															
State Operations	--	--	--	--	--	--	--	--	--	--	1	--	--	1	--
Totals, 9612-Enhanced Tobacco Asset-Backed Bonds	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**$1**	**--**	**--**	**$1**	**--**
9620-Cash Management and Budgetary Loans															
State Operations	13,318	--	--	13,318	--	21,347	--	--	21,347	--	114,404	--	--	114,404	--
Totals, 9620-Cash Management and Budgetary Loans	**$13,318**	**--**	**--**	**$13,318**	**--**	**$21,347**	**--**	**--**	**$21,347**	**--**	**$114,404**	**--**	**--**	**$114,404**	**--**
9625-Interest Payments to the Federal Govt															
State Operations	90,074	4,434	--	94,508	--	99,665	4,053	--	103,718	--	90,000	3,601	--	93,601	--
Totals, 9625-Interest Payments to the Federal Govt	**$90,074**	**$4,434**	**--**	**$94,508**	**--**	**$99,665**	**$4,053**	**--**	**$103,718**	**--**	**$90,000**	**$3,601**	**--**	**$93,601**	**--**

SCHEDULE 9 AT 2026-27 GOVERNOR'S BUDGET
COMPARATIVE STATEMENT OF EXPENDITURES
(Dollars In Thousands)

	Actual 2024-25					Estimated 2025-26					Estimated 2026-27				
	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds	General Fund	Special Funds	Selected Bond Funds	Budget Total	Federal Funds
9650-Health, Dental Benefits for Annuitants															
State Operations	2,577,841	--	--	2,577,841	--	3,030,127	--	--	3,030,127	--	3,187,552	--	--	3,187,552	--
Totals, 9650-Health, Dental Benefits for Annuitants	**$2,577,841**	**--**	**--**	**$2,577,841**	**--**	**$3,030,127**	**--**	**--**	**$3,030,127**	**--**	**$3,187,552**	**--**	**--**	**$3,187,552**	**--**
9670-Equity Claims & Settlements & Judgments															
State Operations	19,812	27	--	19,839	--	1,222	--	--	1,222	--	--	--	--	--	--
Totals, 9670-Equity Claims & Settlements & Judgments	**$19,812**	**$27**	**--**	**$19,839**	**--**	**$1,222**	**--**	**--**	**$1,222**	**--**	**--**	**--**	**--**	**--**	**--**
9800-Augmentation for Employee Compensation															
State Operations	6,000	--	--	6,000	--	6,000	--	--	6,000	--	122,873	95,916	--	218,789	--
Totals, 9800-Augmentation for Employee Compensation	**$6,000**	**--**	**--**	**$6,000**	**--**	**$6,000**	**--**	**--**	**$6,000**	**--**	**$122,873**	**$95,916**	**--**	**$218,789**	**--**
9802-June to July Payroll Deferral															
State Operations	-1,290,755	-895,850	--	-2,186,605	--	-30,187	-30,539	--	-60,726	--	-39,926	-38,532	--	-78,458	--
Totals, 9802-June to July Payroll Deferral	**- $1,290,755**	**- $895,850**	**--**	**- $2,186,605**	**--**	**- $30,187**	**- $30,539**	**--**	**- $60,726**	**--**	**- $39,926**	**- $38,532**	**--**	**- $78,458**	**--**
9840-Contingencies-Emergencies Augmentation															
State Operations	--	--	--	--	--	39,431	15,000	--	54,431	--	40,000	15,000	--	55,000	--
Totals, 9840-Contingencies-Emergencies Augmentation	**--**	**--**	**--**	**--**	**--**	**$39,431**	**$15,000**	**--**	**$54,431**	**--**	**$40,000**	**$15,000**	**--**	**$55,000**	**--**
9889-Public School System Stabilization Acct															
Local Assistance	3,845,082	-3,845,082	--	--	--	664,332	-664,332	--	--	--	--	407,071	--	407,071	--
Totals, 9889-Public School System Stabilization Acct	**$3,845,082**	**- $3,845,082**	**--**	**--**	**--**	**$664,332**	**- $664,332**	**--**	**--**	**--**	**--**	**$407,071**	**--**	**$407,071**	**--**
9892-Supplemental Pension Payments															
State Operations	835,935	145,982	--	981,917	--	589,521	77,935	--	667,456	--	556,000	80,402	--	636,402	--
Totals, 9892-Supplemental Pension Payments	**$835,935**	**$145,982**	**--**	**$981,917**	**--**	**$589,521**	**$77,935**	**--**	**$667,456**	**--**	**$556,000**	**$80,402**	**--**	**$636,402**	**--**
9894-Statewide Proposition 98 Reconciliation															
Local Assistance	-292,834	--	--	-292,834	--	-636,215	--	--	-636,215	--	-31,953	--	--	-31,953	--
Totals, 9894-Statewide Proposition 98 Reconciliation	**- $292,834**	**--**	**--**	**- $292,834**	**--**	**- $636,215**	**--**	**--**	**- $636,215**	**--**	**- $31,953**	**--**	**--**	**- $31,953**	**--**
9897-Section 3.60 Rate Adjustments															
State Operations	--	--	--	--	--	--	--	--	--	--	1,773,869	683,997	--	2,457,866	--
Totals, 9897-Section 3.60 Rate Adjustments	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**$1,773,869**	**$683,997**	**--**	**$2,457,866**	**--**
9900-Statewide General Admin Exp (Pro Rata)															
State Operations	-992,469	899,356	3,000	-90,113	--	-1,146,914	1,082,404	800	-63,710	--	-1,294,624	1,208,216	575	-85,833	--
Totals, 9900-Statewide General Admin Exp (Pro Rata)	**- $992,469**	**$899,356**	**$3,000**	**- $90,113**	**--**	**- $1,146,914**	**$1,082,404**	**$800**	**- $63,710**	**--**	**- $1,294,624**	**$1,208,216**	**$575**	**- $85,833**	**--**
9901-Various Departments															
State Operations	-3,468	-2,799	--	-6,267	-260,412	765,690	--	--	765,690	--	297,690	11,860	--	309,550	--
Local Assistance	--	77,622	--	77,622	--	11,000	51,542	--	62,542	--	150,000	308,222	--	458,222	--
Totals, 9901-Various Departments	**- $3,468**	**$74,823**	**--**	**$71,355**	**- $260,412**	**$776,690**	**$51,542**	**--**	**$828,232**	**--**	**$447,690**	**$320,082**	**--**	**$767,772**	**--**
9910-General Fund Credits from Federal Funds															
State Operations	-154,065	--	--	-154,065	--	-207,964	--	--	-207,964	--	-214,421	--	--	-214,421	--
Totals, 9910-General Fund Credits from Federal Funds	**- $154,065**	**--**	**--**	**- $154,065**	**--**	**- $207,964**	**--**	**--**	**- $207,964**	**--**	**- $214,421**	**--**	**--**	**- $214,421**	**--**
Statewide Expenditures															
State Operations	1,140,156	151,150	3,000	1,294,306	-260,412	3,233,806	1,148,853	800	4,383,459	--	4,706,018	2,060,460	575	6,767,053	--
Local Assistance	3,552,248	-3,767,460	--	-215,212	--	39,117	-612,790	--	-573,673	--	118,047	715,293	--	833,340	--
Totals, Statewide Expenditures	**$4,692,404**	**- $3,616,310**	**$3,000**	**$1,079,094**	**- $260,412**	**$3,272,923**	**$536,063**	**$800**	**$3,809,786**	**--**	**$4,824,065**	**$2,775,753**	**$575**	**$7,600,393**	**--**
TOTALS, GENERAL GOVERNMENT	**7,187,638**	**2,508,169**	**4,452**	**9,700,259**	**696,210**	**5,694,120**	**6,661,412**	**171,892**	**12,527,424**	**2,488,418**	**6,595,069**	**8,930,416**	**77,107**	**15,602,592**	**631,334**
State Operations	2,465,300	719,118	3,640	3,188,058	682,052	4,555,728	1,868,887	26,142	6,450,757	2,473,710	5,818,862	2,753,179	6,068	8,578,109	407,534
Local Assistance	4,726,605	1,789,051	812	6,516,468	14,158	1,099,041	4,792,525	145,750	6,037,316	14,708	776,207	6,177,237	71,039	7,024,483	14,458
Capital Outlay	-4,267	--	--	-4,267	--	39,351	--	--	39,351	--	--	--	--	--	209,342
GRAND TOTAL	**229,230,663**	**87,700,236**	**2,219,873**	**319,150,772**	**161,590,524**	**237,661,888**	**94,561,262**	**10,180,497**	**342,403,647**	**180,259,394**	**248,330,128**	**93,655,541**	**6,947,889**	**348,933,558**	**190,146,175**
State Operations	48,672,468	21,222,692	310,300	70,205,460	18,097,740	51,014,310	23,799,774	700,585	75,514,669	18,958,880	53,887,144	24,611,877	407,314	78,906,335	14,609,135
Local Assistance	179,981,015	63,993,294	1,603,048	245,577,357	140,661,167	185,793,266	63,569,449	8,627,206	257,989,921	157,311,888	194,133,288	65,828,628	5,649,717	265,611,633	171,321,837
Capital Outlay	577,180	2,484,250	306,525	3,367,955	2,831,617	854,312	7,192,039	852,706	8,899,057	3,988,626	309,696	3,215,036	890,858	4,415,590	4,215,203

Note: Numbers may not add due to rounding

SCHEDULE 10 AT 2026-27 GOVERNOR'S BUDGET
SUMMARY OF FUND CONDITION STATEMENTS
(Dollars in Thousands)

Fund	Beginning Reserve 2024-25	Revenues 2024-25	Expenditures 2024-25	Beginning Reserve 2025-26	Revenues 2025-26	Expenditures 2025-26	Beginning Reserve 2026-27	Revenues 2026-27	Expenditures 2026-27	Ending Reserve 2026-27
GENERAL FUND	**52,872,060**	**232,309,321**	**229,230,663**	**55,950,718**	**235,162,379**	**237,661,888**	**53,451,209**	**227,385,219**	**248,330,128**	**32,506,300**
SPECIAL FUNDS										
0002-Property Acquisition Law Money Account	15,573	10,874	7,595	18,852	7,700	7,882	18,670	7,700	7,438	18,932
0003-Motor Vehicle Parking Facilities Moneys Account	13,780	10,527	7,559	16,748	10,663	10,597	16,814	9,883	10,674	16,023
0004-Breast Cancer Fund	76	925	400	601	552	551	602	727	578	751
0006-Disability Access Account	47,816	31,202	13,984	65,034	18,354	15,567	67,821	16,518	16,006	68,333
0007-Breast Cancer Research Account, Breast Cancer Fund	5,357	7,251	5,007	7,601	5,820	13,402	19	5,435	4,908	546
0009-Breast Cancer Control Account, Breast Cancer Fund	2,866	6,087	6,214	2,739	6,060	6,421	2,378	5,675	6,327	1,726
0012-Attorney General Antitrust Account	49,395	3,050	16,170	36,275	19,790	17,110	38,955	17,790	17,699	39,046
0014-Hazardous Waste Control Account	79,625	103,137	97,335	85,427	75,662	111,305	49,784	70,505	117,131	3,158
0017-Fingerprint Fees Account	56,254	105,876	96,203	65,927	105,269	106,834	64,362	105,269	111,039	58,592
0018-Site Remediation Account	22,239	36,161	35,527	22,873	38,550	53,879	7,544	42,150	43,040	6,654
0020-California State Law Library Special Account	185	340	264	261	383	312	332	383	298	417
0022-State Emergency Telephone Number Account	8,802	218,800	226,028	1,574	214,586	197,338	18,822	214,586	198,669	34,739
0023-Farmworker Remedial Account	918	528	--	1,446	436	291	1,591	436	291	1,736
0026-State Motor Vehicle Insurance Account	22,629	72,861	65,341	30,149	80,182	73,036	37,295	84,191	73,091	48,395
0028-Unified Program Account	15,841	12,154	12,837	15,158	12,154	16,641	10,671	12,154	18,282	4,543
0029-Nuclear Planning Assessment Special Account	981	4,258	4,535	704	5,591	5,447	848	5,559	5,533	874
0032-Firearm Safety Account	2,522	826	402	2,946	7,214	512	9,648	820	506	9,962
0033-State Energy Conservation Assistance Account	35,053	4,216	14,682	24,587	3,305	14,686	13,206	4,326	14,689	2,843
0034-Geothermal Resources Development Account	--	1,658	1,658	--	1,658	1,658	--	1,658	1,658	--
0035-Surface Mining and Reclamation Account	4,229	6,035	4,702	5,562	6,758	5,763	6,557	6,758	4,998	8,317
0041-Aeronautics Account, State Transportation Fund	8,384	7,535	5,978	9,941	7,309	8,774	8,476	7,027	8,880	6,623
0042-State Highway Account, State Transportation Fund	598,270	5,215,420	5,184,905	628,785	4,843,833	4,984,046	488,572	4,800,277	4,946,393	342,456
0044-Motor Vehicle Account, State Transportation Fund	394,373	4,985,494	4,996,152	383,715	5,015,900	5,075,612	324,003	5,091,910	5,202,094	213,819

SCHEDULE 10 AT 2026-27 GOVERNOR'S BUDGET
SUMMARY OF FUND CONDITION STATEMENTS
(Dollars in Thousands)

Fund	Beginning Reserve 2024-25	Revenues 2024-25	Expenditures 2024-25	Beginning Reserve 2025-26	Revenues 2025-26	Expenditures 2025-26	Beginning Reserve 2026-27	Revenues 2026-27	Expenditures 2026-27	Ending Reserve 2026-27
0046-Public Transportation Account, State Transportation Fund	1,900,413	1,466,053	1,763,738	1,602,728	1,277,975	1,609,368	1,271,335	1,564,127	1,517,205	1,318,257
0052-Local Airport Loan Account	23,554	1,473	-867	25,894	1,027	222	26,699	693	192	27,200
0054-New Motor Vehicle Board Account	1,620	1,779	1,925	1,474	1,744	2,397	821	1,744	2,414	151
0055-Mass Transit Revolving Account, State Transportation Fund	1,000	--	--	1,000	--	--	1,000	--	--	1,000
0058-Rail Accident Prevention Response Fund	3	--	--	3	--	--	3	--	--	3
0061-Motor Vehicle Fuel Account, Transportation Tax Fund	24,127	18,558	42,685	--	44,451	44,451	--	46,287	46,287	--
0062-Highway Users Tax Account, Transportation Tax Fund	--	1,890,040	1,890,040	--	1,946,952	1,946,952	--	1,982,684	1,982,684	--
0064-Motor Vehicle License Fee Account, Transportation Tax Fund	10,556	23,632	19,308	14,880	12,736	27,616	--	26,816	26,816	--
0065-Illegal Drug Lab Cleanup Account	2,155	116	--	2,271	50	--	2,321	50	684	1,687
0066-Sale of Tobacco to Minors Control Account	1,615	569	472	1,712	702	1,088	1,326	702	1,085	943
0069-Barbering and Cosmetology Contingent Fund	11,706	48,961	21,190	39,477	25,364	24,215	40,626	25,676	24,099	42,203
0070-Occupational Lead Poisoning Prevention Account	7,374	4,284	3,286	8,372	6,409	4,971	9,810	9,409	5,196	14,023
0071-Yosemite Foundation Account, California Environmental License Plate Fund	1,684	516	523	1,677	900	840	1,737	900	840	1,797
0072-California Collegiate License Plate Fund	11	22	22	11	22	22	11	22	22	11
0074-Medical Waste Management Fund	2,829	3,175	2,841	3,163	3,107	3,505	2,765	3,107	3,542	2,330
0075-Radiation Control Fund	16,457	28,713	31,313	13,857	30,030	33,406	10,481	34,530	38,311	6,700
0076-Tissue Bank License Fund	4,063	1,021	638	4,446	1,616	1,683	4,379	2,130	1,656	4,853
0078-Graphic Design License Plate Account	763	1,279	1,103	939	1,221	1,112	1,048	1,221	1,130	1,139
0080-Childhood Lead Poisoning Prevention Fund	56,430	15,018	39,379	32,069	32,051	47,327	16,793	50,051	43,941	22,903
0082-Export Document Program Fund	141	525	534	132	608	607	133	608	706	35
0083-Veterans Service Office Fund	2,525	966	351	3,140	934	1,049	3,025	934	1,051	2,908
0093-Construction Management Education Account (CMEA)	510	223	240	493	215	244	464	215	121	558
0098-Clinical Laboratory Improvement Fund	15,988	14,635	13,258	17,365	25,189	15,404	27,150	35,706	15,431	47,425

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Fund	Beginning Reserve 2024-25	Revenues 2024-25	Expenditures 2024-25	Beginning Reserve 2025-26	Revenues 2025-26	Expenditures 2025-26	Beginning Reserve 2026-27	Revenues 2026-27	Expenditures 2026-27	Ending Reserve 2026-27
0099-Health Statistics Special Fund	33,300	21,298	33,307	21,291	35,936	38,994	18,233	39,447	38,314	19,366
0100-California Used Oil Recycling Fund	39,155	22,527	20,286	41,396	25,225	37,953	28,668	23,518	23,036	29,150
0102-State Fire Marshal Licensing and Certification Fund	4,718	4,791	6,321	3,188	5,086	6,677	1,597	5,138	6,732	3
0104-San Joaquin River Conservancy Fund	3,594	34	159	3,469	547	537	3,479	814	450	3,843
0106-Department of Pesticide Regulation Fund	8,147	154,218	143,684	18,681	166,329	165,365	19,645	174,606	168,067	26,184
0108-Acupuncture Fund	4,847	4,448	3,126	6,169	4,201	4,146	6,224	4,423	4,290	6,357
0111-Department of Agriculture Account, Department of Food and Agriculture Fund	162,058	199,571	220,540	141,089	199,601	208,803	131,887	199,601	195,297	136,191
0115-Air Pollution Control Fund	680,753	-52,388	235,696	392,669	207,464	359,257	240,876	204,964	383,496	62,344
0117-Alcoholic Beverage Control Appeals Fund	6,806	2,359	1,562	7,603	2,449	1,670	8,382	2,530	1,612	9,300
0120-California Mexican American Veterans Memorial Beautification and Enhancement Account	5	--	--	5	--	--	5	--	--	5
0121-Hospital Building Fund	185,146	65,226	70,015	180,357	75,554	74,568	181,343	275,554	71,755	385,142
0122-Emergency Food Assistance Program Fund	523	477	510	490	477	667	300	477	667	110
0124-California Agricultural Export Promotion Account	122	7	8	121	16	10	127	16	10	133
0125-Assembly Operating Fund	145	--	--	145	--	--	145	--	--	145
0126-State Audit Fund	11,907	156	388	11,675	--	--	11,675	--	--	11,675
0129-Water Device Certification Special Account	1,866	314	93	2,087	333	406	2,014	345	396	1,963
0131-Foster Family Home and Small Family Home Insurance Fund	-195	--	-197	2	--	--	2	--	--	2
0132-Workers Compensation Managed Care Fund	656	34	4	686	31	77	640	31	77	594
0133-California Beverage Container Recycling Fund	841,790	1,446,544	1,465,890	822,444	1,438,436	1,542,623	718,257	1,478,462	1,474,933	721,786
0139-Driving Under-the-Influence Program Licensing Trust Fund	1,245	1,523	659	2,109	2,025	1,574	2,560	2,110	1,658	3,012
0140-California Environmental License Plate Fund	21,183	66,402	67,612	19,973	66,727	79,121	7,579	68,177	73,330	2,426
0141-Soil Conservation Fund	5,417	5,337	2,285	8,469	2,770	3,836	7,403	2,770	3,925	6,248
0142-Department of Justice Sexual Habitual Offender Fund	3,639	2,571	2,850	3,360	2,539	3,041	2,858	2,539	3,085	2,312
0143-California Health Data and Planning Fund	29,520	40,987	37,322	33,185	45,060	54,433	23,812	72,098	46,311	49,599
0144-California Water Fund	1,386	--	--	1,386	--	--	1,386	--	--	1,386

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Fund	Beginning Reserve 2024-25	Revenues 2024-25	Expenditures 2024-25	Beginning Reserve 2025-26	Revenues 2025-26	Expenditures 2025-26	Beginning Reserve 2026-27	Revenues 2026-27	Expenditures 2026-27	Ending Reserve 2026-27
0152-State Board of Chiropractic Examiners Fund	3,554	4,929	4,831	3,652	5,132	5,920	2,864	5,054	5,682	2,236
0156-California Heritage Fund	60	3	--	63	--	--	63	--	--	63
0158-Travel Seller Fund	1,477	739	1,443	773	1,582	1,578	777	1,582	1,599	760
0159-State Trial Court Improvement and Modernization Fund	41,520	572	-2,418	44,510	295	13,438	31,367	-326	21,660	9,381
0160-Operating Funds of the Assembly and Senate	34	300,000	300,000	34	250,000	250,000	34	150,000	150,000	34
0163-CCRC Oversight Fund	760	2,362	1,264	1,858	2,362	1,564	2,656	2,362	1,564	3,454
0166-Certification Account, Consumer Affairs Fund	2,486	1,855	1,304	3,037	1,791	1,691	3,137	1,791	1,630	3,298
0168-Structural Pest Control Research Fund	1,196	229	--	1,425	216	3	1,638	216	3	1,851
0169-California Debt Limit Allocation Committee Fund	3,015	6,446	2,852	6,609	2,495	4,092	5,012	2,620	4,057	3,575
0170-Corrections Training Fund	216	1	--	217	--	--	217	--	--	217
0171-California Debt and Investment Advisory Commission Fund	6,010	4,028	3,509	6,529	3,820	4,677	5,672	3,680	4,674	4,678
0172-Developmental Disabilities Program Development Fund	1,413	749	881	1,281	886	933	1,234	912	527	1,619
0174-Clandestine Drug Lab Clean-Up Account	11	--	--	11	--	--	11	--	--	11
0175-Dispensing Opticians Fund	8	--	--	8	--	--	8	--	--	8
0177-Food Safety Fund	4,992	12,550	10,881	6,661	13,431	13,316	6,776	13,431	14,448	5,759
0178-Driver Training Penalty Assessment Fund	630	--	155	475	--	30	445	--	--	445
0179-Environmental Laboratory Improvement Fund	3,954	5,149	4,078	5,025	5,042	4,704	5,363	5,809	5,793	5,379
0180-Northern California Veterans Cemetery Master Development Fund	143	--	--	143	--	--	143	--	--	143
0181-Registered Nurse Education Fund	4,608	-302	2,052	2,254	2,624	2,194	2,684	2,556	2,305	2,935
0183-Environmental Enhancement and Mitigation Program Fund	44,535	9,472	8,042	45,965	9,472	14,346	41,091	9,472	7,126	43,437
0184-Employment Development Department Benefit Audit Fund	41,487	28,722	18,556	51,653	27,965	25,056	54,562	27,652	24,821	57,393
0185-Employment Development Department Contingent Fund	407,038	222,692	169,824	459,906	215,851	264,501	411,256	218,313	265,967	363,602
0186-Energy Resources Surcharge Fund	16,022	--	--	16,022	--	--	16,022	--	--	16,022
0191-Fair and Exposition Fund	21,270	1,122	1,880	20,512	1,202	--	21,714	1,202	67	22,849

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Fund	Beginning Reserve 2024-25	Revenues 2024-25	Expenditures 2024-25	Beginning Reserve 2025-26	Revenues 2025-26	Expenditures 2025-26	Beginning Reserve 2026-27	Revenues 2026-27	Expenditures 2026-27	Ending Reserve 2026-27
0193-Waste Discharge Permit Fund	22,723	206,657	192,299	37,081	202,390	193,332	46,139	208,225	199,727	54,637
0194-Emergency Medical Services Training Program Approval Fund	300	277	223	354	241	254	341	241	267	315
0198-California Fire and Arson Training Fund	15,340	8,298	5,179	18,459	6,753	5,488	19,724	6,837	5,394	21,167
0200-Fish and Game Preservation Fund	150,280	132,160	129,646	152,794	130,703	152,040	131,457	130,703	157,377	104,783
0203-Genetic Disease Testing Fund	37,189	178,328	173,777	41,740	164,011	171,439	34,312	163,088	177,335	20,065
0207-Fish and Wildlife Pollution Account	3,257	372	26	3,603	279	335	3,547	279	348	3,478
0209-California Hazardous Liquid Pipeline Safety Fund	25,382	7,928	8,055	25,255	8,068	8,439	24,884	8,297	8,396	24,785
0210-Outpatient Setting Fund of the Medical Board of California	703	31	2	732	20	26	726	20	27	719
0211-California Waterfowl Habitat Preservation Account, Fish and Game Preservation Fund	2,279	102	2	2,379	28	9	2,398	28	--	2,426
0212-Marine Invasive Species Control Fund	5,070	4,940	6,174	3,836	5,506	6,760	2,582	6,439	6,692	2,329
0213-Native Species Conservation and Enhancement Account, Fish and Game Preservation Fund	943	215	139	1,019	134	157	996	134	162	968
0214-Restitution Fund	87,508	64,579	67,720	84,367	64,579	88,156	60,790	64,579	78,227	47,142
0217-Insurance Fund	59,346	350,392	355,147	54,591	345,060	367,982	31,669	345,060	370,744	5,985
0223-Workers Compensation Administration Revolving Fund	544,008	313,779	415,824	441,963	282,242	430,548	293,657	337,368	462,705	168,320
0226-California Tire Recycling Management Fund	69,157	41,723	35,932	74,948	40,653	48,319	67,282	41,272	42,621	65,933
0228-Secretary of States Business Fees Fund	2,932	81,409	83,341	1,000	100,998	100,998	1,000	100,455	100,455	1,000
0230-Cigarette and Tobacco Products Surtax Fund	-367	5,268	4,901	--	7,022	6,755	267	7,360	7,093	534
0231-Health Education Account, Cigarette and Tobacco Products Surtax Fund	10,910	47,518	55,527	2,901	40,780	40,365	3,316	38,197	41,513	--
0232-Hospital Services Account, Cigarette and Tobacco Products Surtax Fund	10,679	57,877	61,098	7,458	51,548	48,640	10,366	48,499	52,916	5,949
0233-Physician Services Account, Cigarette and Tobacco Products Surtax Fund	3,029	16,536	17,434	2,131	14,727	13,894	2,964	13,856	15,122	1,698
0234-Research Account, Cigarette and Tobacco Products Surtax Fund	5,834	10,688	14,206	2,316	9,268	9,983	1,601	8,681	10,282	--

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Fund	Beginning Reserve 2024-25	Revenues 2024-25	Expenditures 2024-25	Beginning Reserve 2025-26	Revenues 2025-26	Expenditures 2025-26	Beginning Reserve 2026-27	Revenues 2026-27	Expenditures 2026-27	Ending Reserve 2026-27
0235-Public Resources Account, Cigarette and Tobacco Products Surtax Fund	11,145	3,379	8,849	5,675	2,470	3,029	5,116	2,035	6,707	444
0236-Unallocated Account, Cigarette and Tobacco Products Surtax Fund	12,128	37,492	41,662	7,958	33,111	35,797	5,272	31,151	33,228	3,195
0238-Northern California Veterans Cemetery Perpetual Maintenance Fund	1,366	288	39	1,615	81	70	1,626	81	72	1,635
0239-Private Security Services Fund	8,893	18,272	17,030	10,135	20,841	20,057	10,919	21,179	20,277	11,821
0240-Local Agency Deposit Security Fund	500	420	504	416	615	615	416	621	621	416
0241-Local Public Prosecutors and Public Defenders Training Fund	1,085	49	--	1,134	4	--	1,138	4	--	1,142
0242-Court Collection Account	942	89,355	87,312	2,985	65,567	68,421	131	71,850	71,981	--
0243-Narcotic Treatment Program Licensing Trust Fund	5,290	2,209	2,204	5,295	2,174	2,403	5,066	2,180	2,623	4,623
0244-Environmental Water Fund	3,024	--	--	3,024	--	--	3,024	--	--	3,024
0245-Mobilehome Parks and Special Occupancy Parks Revolving Fund	4,942	10,996	10,608	5,330	10,992	11,418	4,904	10,992	11,046	4,850
0247-Drinking Water Operator Certification Special Account	3,413	1,844	2,371	2,886	1,839	2,960	1,765	1,844	2,968	641
0256-Sexual Predator Public Information Account	28	1	10	19	191	30	180	191	32	339
0257-Earthquake Emergency Investigations Account, Disaster Assistance Fund	27	--	--	27	--	--	27	--	--	27
0261-Off Highway License Fee Fund	--	1,716	1,716	--	1,716	1,716	--	1,716	1,716	--
0262-Habitat Conservation Fund	100,849	9,176	15,221	94,804	8,815	95,323	8,296	8,597	3,731	13,162
0263-Off-Highway Vehicle Trust Fund	151,814	91,321	104,872	138,263	91,089	136,784	92,568	93,089	119,910	65,747
0264-Osteopathic Medical Board of California Contingent Fund	5,098	4,119	4,274	4,943	3,811	4,574	4,180	4,415	4,939	3,656
0266-Inland Wetlands Conservation Fund, Wildlife Restoration Fund	3,554	159	--	3,713	68	--	3,781	68	--	3,849
0267-Exposition Park Improvement Fund	18,437	17,756	13,338	22,855	16,330	13,978	25,207	17,951	35,784	7,374
0269-Glass Processing Fee Account, California Beverage Container Recycling Fund	16,827	96,128	109,063	3,892	136,814	112,918	27,788	133,020	131,996	28,812
0270-Technical Assistance Fund	11,266	28,557	32,074	7,749	28,557	25,023	11,283	28,557	25,067	14,773
0271-Certification Fund	614	3,595	2,074	2,135	3,595	2,066	3,664	3,595	2,066	5,193

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0272-Infant Botulism Treatment and Prevention Fund	36,309	-1,490	18,093	16,726	16,228	16,902	16,052	33,017	18,353	30,716
0275-Hazardous and Idle-Deserted Well Abatement Fund	295	2,261	571	1,985	1,382	1,020	2,347	1,382	1,042	2,687
0276-Penalty Account, California Beverage Container Recycling Fund	3,373	934	4	4,303	889	--	5,192	909	--	6,101
0277-Bi-metal Processing Fee Account, California Beverage Container Recycling Fund	43,083	6,287	498	48,872	4,537	583	52,826	5,530	715	57,641
0278-PET Processing Fee Account, California Beverage Container Recycling Fund	35,724	115,964	121,830	29,858	119,535	100,601	48,792	138,658	104,598	82,852
0279-Child Health and Safety Fund	1,692	3,171	3,261	1,602	3,193	3,947	848	3,193	3,941	100
0280-Physician Assistant Fund	3,897	3,258	3,621	3,534	3,388	3,371	3,551	3,558	4,296	2,813
0281-Recycling Market Development Revolving Loan Subaccount, Integrated Waste Management Account	18,677	5,452	6	24,123	3,033	3,019	24,137	3,275	3,017	24,395
0286-Lake Tahoe Conservancy Account	1,928	779	1,037	1,670	750	1,539	881	750	1,234	397
0288-The Registry of International Student Exchange Visitor Placement Organizations Fund	193	15	--	208	15	--	223	15	--	238
0289-State HICAP Fund	17,206	-3,984	5,388	7,834	6,308	4,861	9,281	16,378	8,439	17,220
0290-Board of Pilot Commissioners Special Fund	5,198	3,637	3,099	5,736	3,018	6,285	2,469	4,018	3,894	2,593
0293-Motor Carriers Safety Improvement Fund	975	2,052	1,805	1,222	2,071	2,440	853	2,071	2,465	459
0294-Removal and Remedial Action Account	9,289	4,589	3,375	10,503	4,675	3,338	11,840	4,675	3,410	13,105
0295-Board of Podiatric Medicine Fund	413	1,473	1,508	378	1,659	1,727	310	2,005	1,781	534
0299-Credit Union Fund	6,363	16,415	15,071	7,707	15,706	15,706	7,707	16,039	16,039	7,707
0300-Professional Forester Registration Fund	81	202	249	34	259	260	33	259	263	29
0305-Private Postsecondary Education Administration Fund	8,140	15,852	15,234	8,758	15,599	18,464	5,893	15,856	19,682	2,067
0306-Safe Drinking Water Account	5,682	48,253	38,249	15,686	48,128	49,917	13,897	50,331	51,631	12,597
0309-Perinatal Insurance Fund	11,594	--	1,156	10,438	2,008	430	12,016	2,008	451	13,573
0310-Psychology Fund	5,406	10,107	7,600	7,913	9,779	8,773	8,919	9,818	8,515	10,222
0311-Traumatic Brain Injury Fund	157	--	--	157	--	--	157	--	--	157
0312-Emergency Medical Services Personnel Fund	1,218	3,573	3,486	1,305	3,556	3,531	1,330	3,511	3,801	1,040

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0314-Diesel Emission Reduction Fund	1,000	4,277	--	5,277	238	--	5,515	238	--	5,753
0317-Real Estate Fund	15,606	66,811	65,637	16,780	71,244	73,800	14,224	69,244	72,668	10,800
0318-Collins-Dugan California Conservation Corps Reimbursement Account	45,650	63,430	62,774	46,306	48,923	66,388	28,841	43,878	63,807	8,912
0319-Respiratory Care Fund	2,470	4,100	3,898	2,672	4,040	4,380	2,332	4,089	4,413	2,008
0320-Oil Spill Prevention and Administration Fund	44,092	70,865	59,533	55,424	68,442	68,161	55,705	68,442	71,484	52,663
0321-Oil Spill Response Trust Fund	41,783	16,007	2,803	54,987	1,220	83	56,124	1,220	86	57,258
0322-Environmental Enhancement Fund	8,123	925	6,776	2,272	438	1,396	1,314	438	1,199	553
0325-Electronic and Appliance Repair Fund	2,543	-2,188	--	355	--	--	355	--	--	355
0326-Athletic Commission Fund	502	2,135	2,501	136	2,173	2,128	181	2,173	2,307	47
0327-Court Interpreters Fund	1,652	292	356	1,588	267	386	1,469	270	398	1,341
0328-Public School Planning, Design, and Construction Review Revolving Fund	92,605	104,576	73,904	123,277	88,848	84,674	127,451	79,993	87,599	119,845
0329-Vehicle License Collection Account, Local Revenue Fund	--	14,000	14,000	--	14,000	14,000	--	14,000	14,000	--
0330-Local Revenue Fund	1	975	974	2	982	982	2	980	980	2
0335-Registered Environmental Health Specialist Fund	189	622	480	331	538	552	317	538	549	306
0336-Mine Reclamation Account	2,923	4,590	4,721	2,792	4,696	5,181	2,307	4,696	5,307	1,696
0338-Strong-Motion Instrumentation and Seismic Hazards Mapping Fund	12,708	20,018	13,745	18,981	14,233	13,453	19,761	14,233	15,832	18,162
0342-State School Fund	2,854	24,589	27,443	--	24,589	24,589	--	24,589	24,589	--
0347-School Land Bank Fund	15,454	34,591	1,847	48,198	455	2,249	46,404	455	2,307	44,552
0348-Senate Operating Fund	7	--	--	7	--	--	7	--	--	7
0351-Mental Health Subaccount, Sales Tax Account	--	1,462,083	1,462,083	--	1,470,912	1,470,912	--	1,466,804	1,466,804	--
0352-Social Services Subaccount, Sales Tax Account	--	2,521,137	2,521,137	--	2,521,137	2,521,137	--	2,641,400	2,641,400	--
0353-Health Subaccount, Sales Tax Account	--	--	--	--	76,692	76,692	--	131,555	131,554	1
0354-Caseload Subaccount, Sales Tax Growth Account	--	--	--	--	120,263	120,263	--	97,779	97,779	--
0365-Historic Property Maintenance Fund	499	686	550	635	752	837	550	726	1,137	139
0367-Indian Gaming Special Distribution Fund	144,165	7,620	36,355	115,430	32,946	39,570	108,806	32,946	40,424	101,328

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SUMMARY OF FUND CONDITION STATEMENTS
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Fund	Beginning Reserve 2024-25	Revenues 2024-25	Expenditures 2024-25	Beginning Reserve 2025-26	Revenues 2025-26	Expenditures 2025-26	Beginning Reserve 2026-27	Revenues 2026-27	Expenditures 2026-27	Ending Reserve 2026-27
0371-California Beach and Coastal Enhancement Account, California Environmental License Plate Fund	1,247	1,031	983	1,295	1,031	1,293	1,033	1,031	1,455	609
0376-Speech-Language Pathology and Audiology and Hearing Aid Dispensers Fund	1,901	3,454	3,435	1,920	3,364	3,258	2,026	3,419	3,428	2,017
0378-False Claims Act Fund	122,943	22,358	24,675	120,626	22,278	27,191	115,713	22,278	28,074	109,917
0381-Public Interest Research, Development, and Demonstration Fund	11,744	576	888	11,432	993	897	11,528	993	887	11,634
0382-Renewable Resource Trust Fund	46,765	22,854	1,357	68,262	3,039	1,288	70,013	3,039	1,298	71,754
0384-The Salmon and Steelhead Trout Restoration Account	97	--	--	97	--	--	97	--	--	97
0386-Solid Waste Disposal Site Cleanup Trust Fund	4,305	10,104	8,238	6,171	5,682	6,034	5,819	5,799	5,776	5,842
0387-Integrated Waste Management Account, Integrated Waste Management Fund	42,278	51,703	54,666	39,315	57,624	57,663	39,276	57,549	60,630	36,195
0392-State Parks and Recreation Fund	147,520	248,641	275,622	120,539	278,136	313,257	85,418	280,292	296,350	69,360
0396-Self-Insurance Plans Fund	2,475	5,026	4,362	3,139	3,965	4,887	2,217	4,786	4,904	2,099
0399-Structural Pest Control Education and Enforcement Fund	1,925	532	329	2,128	504	335	2,297	504	339	2,462
0400-Real Estate Appraisers Regulation Fund	4,941	5,565	5,743	4,763	5,080	6,743	3,100	4,936	6,831	1,205
0407-Teacher Credentials Fund	25,811	39,692	28,831	36,672	33,825	35,514	34,983	33,825	37,942	30,866
0408-Test Development and Administration Account, Teacher Credentials Fund	1,917	-1,900	--	17	--	--	17	--	--	17
0410-Transcript Reimbursement Fund	305	10	165	150	4	--	154	4	--	158
0421-Vehicle Inspection and Repair Fund	146,226	183,434	156,870	172,790	133,474	166,085	140,179	134,495	168,553	106,121
0425-Victim - Witness Assistance Fund	40	4	--	44	2	--	46	2	--	48
0429-Local Jurisdiction Energy Assistance Account	421	19	--	440	16	--	456	16	--	472
0434-Air Toxics Inventory and Assessment Account	7,413	1,449	732	8,130	1,449	745	8,834	1,449	761	9,522
0436-Underground Storage Tank Tester Account	11	10	19	2	21	22	1	21	19	3
0437-State Assistance For Fire Equipment Account	3,285	360	77	3,568	100	100	3,568	100	100	3,568

SCHEDULE 10 AT 2026-27 GOVERNOR'S BUDGET
SUMMARY OF FUND CONDITION STATEMENTS
(Dollars in Thousands)

Fund	Beginning Reserve 2024-25	Revenues 2024-25	Expenditures 2024-25	Beginning Reserve 2025-26	Revenues 2025-26	Expenditures 2025-26	Beginning Reserve 2026-27	Revenues 2026-27	Expenditures 2026-27	Ending Reserve 2026-27
0439-Underground Storage Tank Cleanup Fund	900,609	94,064	575,687	418,986	480,396	295,935	603,447	268,846	290,603	581,690
0447-Wildlife Restoration Fund	8,895	2,540	207	11,228	1,162	395	11,995	1,162	399	12,758
0448-Occupancy Compliance Monitoring Account, Tax Credit Allocation Fee Account	35,446	75,116	7,046	103,516	10,096	9,192	104,420	8,519	9,242	103,697
0449-Winter Recreation Fund	1,685	863	779	1,769	767	829	1,707	767	794	1,680
0452-Elevator Safety Account	43,528	42,836	33,326	53,038	42,408	38,949	56,497	42,408	39,710	59,195
0453-Pressure Vessel Account	536	5,666	5,266	936	5,932	5,976	892	6,809	5,987	1,714
0457-Tax Credit Allocation Fee Account	42,914	78,165	5,536	115,543	13,524	7,757	121,310	15,305	7,777	128,838
0458-Site Operation and Maintenance Account, Hazardous Substance Account	23,910	1,209	1,010	24,109	1,321	407	25,023	1,321	416	25,928
0460-Dealers Record of Sale Special Account	21,385	25,033	38,042	8,376	31,423	36,327	3,472	30,423	27,526	6,369
0461-Public Utilities Commission Transportation Reimbursement Account	43,727	38,772	30,404	52,095	25,863	34,042	43,916	26,790	34,007	36,699
0462-Public Utilities Commission Utilities Reimbursement Account	341,801	209,909	275,314	276,396	224,502	301,047	199,851	265,919	305,980	159,790
0464-California High-Cost Fund-A Administrative Committee Fund	38,997	57,744	37,707	59,034	13,213	49,561	22,686	41,265	49,571	14,380
0465-Energy Resources Programs Account	109,523	72,665	84,113	98,075	72,999	81,009	90,065	72,999	85,646	77,418
0467-State Notes Expense Account	250	--	--	250	--	--	250	-250	--	--
0470-California High-Cost Fund-B Administrative Committee Fund	88,108	3,860	6,151	85,817	476	22,526	63,767	476	22,533	41,710
0471-Universal Lifeline Telephone Service Trust Administrative Committee Fund	567,930	342,471	490,722	419,679	385,563	615,275	189,967	700,530	700,514	189,983
0478-Vectorborne Disease Account	206	187	140	253	236	239	250	255	291	214
0479-Energy Technologies Research, Development and Demonstration Account	49	3,176	--	3,225	139	--	3,364	139	--	3,503
0481-Garment Manufacturers Special Account	-2,993	6,512	1,633	1,886	6,745	7,477	1,154	255	500	909
0483-Deaf and Disabled Telecommunications Program Administrative Committee Fund	86,780	43,562	43,485	86,857	14,511	72,346	29,022	64,094	72,499	20,617
0485-Armory Discretionary Improvement Account	712	16	3	725	26	143	608	26	149	485

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Fund	Beginning Reserve 2024-25	Revenues 2024-25	Expenditures 2024-25	Beginning Reserve 2025-26	Revenues 2025-26	Expenditures 2025-26	Beginning Reserve 2026-27	Revenues 2026-27	Expenditures 2026-27	Ending Reserve 2026-27
0487-Financial Responsibility Penalty Account	795	73	--	868	143	--	1,011	143	--	1,154
0492-State Athletic Commission Neurological Examination Account	357	94	56	395	11	59	347	11	60	298
0493-California Teleconnect Fund Administrative Committee Fund	123,309	128,560	38,360	213,509	29,059	108,586	133,982	6,434	108,595	31,821
0494-Other - Unallocated Special Funds	-520,269	--	-898,649	378,380	-1,500,000	-15,538	-1,106,082	--	768,242	-1,874,324
0496-Developmental Disabilities Services Account	163	7	--	170	150	150	170	150	150	170
0497-Local Government Geothermal Resources Revolving Subaccount, Geothermal Resources Development Account	7,881	1,612	851	8,642	1,472	1,686	8,428	1,472	1,687	8,213
0557-Toxic Substances Control Account	176,338	119,376	156,909	138,805	68,875	167,178	40,502	147,485	172,984	15,003
0558-Farm and Ranch Solid Waste Cleanup and Abatement Account	2,676	892	1,645	1,923	1,119	1,182	1,860	1,139	1,041	1,958
0566-Department of Justice Child Abuse Fund	955	493	561	887	486	575	798	486	583	701
0567-Gambling Control Fund	7,367	77,522	24,449	60,440	26,625	25,949	61,116	26,625	26,584	61,157
0569-Gambling Control Fines and Penalties Account	6,343	9,702	529	15,516	448	660	15,304	402	460	15,246
0577-Abandoned Watercraft Abatement Fund	3,934	2,751	2,705	3,980	1,000	4,045	935	1,000	1,900	35
0582-High Polluter Repair or Removal Account	44,858	101,718	32,962	113,614	43,378	52,190	104,802	43,378	52,314	95,866
0585-Counties Children and Families Account, California Children and Families Trust Fund	55,199	215,364	216,464	54,099	193,880	197,624	50,355	183,087	197,624	35,818
0587-Family Law Trust Fund	14,702	3,397	1,809	16,290	3,724	2,136	17,878	3,724	2,009	19,593
0593-Coastal Access Account, State Coastal Conservancy Fund	3,153	--	1,090	2,063	514	1,554	1,023	514	650	887
0623-California Children and Families First Trust Fund	1,104	8,715	8,170	1,649	11,783	11,596	1,836	12,347	12,159	2,024
0631-Mass Media Communications Account, California Children and Families Trust Fund	21,236	17,355	11,618	26,973	15,400	21,091	21,282	14,591	21,091	14,782
0634-Education Account, California Children and Families Trust Fund	54,604	16,202	17,868	52,938	13,945	18,687	48,196	13,270	18,687	42,779

SCHEDULE 10 AT 2026-27 GOVERNOR'S BUDGET
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Fund	Beginning Reserve 2024-25	Revenues 2024-25	Expenditures 2024-25	Beginning Reserve 2025-26	Revenues 2025-26	Expenditures 2025-26	Beginning Reserve 2026-27	Revenues 2026-27	Expenditures 2026-27	Ending Reserve 2026-27
0636-Child Care Account, California Children and Families Trust Fund	10,333	8,654	10,420	8,567	8,260	11,105	5,722	7,855	11,105	2,472
0637-Research and Development Account, California Children and Families Trust Fund	33,985	9,783	17,098	26,670	8,474	11,319	23,825	8,069	11,319	20,575
0638-Administration Account, California Children and Families Trust Fund	6,685	2,973	2,532	7,126	2,614	4,354	5,386	2,479	4,397	3,468
0639-Unallocated Account, California Children and Families Trust Fund	31,868	6,854	2,898	35,824	4,949	6,847	33,926	4,679	6,847	31,758
0642-Domestic Violence Training and Education Fund	1,944	-1,166	419	359	685	684	360	685	703	342
0643-Upper Newport Bay Ecological Reserve Maintenance and Preservation Fund	1	--	1	--	--	--	--	--	--	--
0648-Mobilehome-Manufactured Home Revolving Fund	15,759	26,424	26,390	15,793	26,781	27,584	14,990	26,781	27,182	14,589
0704-Accountancy Fund, Professions and Vocations Fund	21,557	21,862	18,754	24,665	21,690	21,127	25,228	25,579	20,889	29,918
0706-California Architects Board Fund	3,868	4,073	4,672	3,269	5,682	5,208	3,743	4,111	5,203	2,651
0717-Cemetery and Funeral Fund	1,702	6,745	6,746	1,701	6,485	7,244	942	6,564	7,491	15
0735-Contractors License Fund	40,915	101,679	85,783	56,811	99,020	89,111	66,720	99,623	92,073	74,270
0741-State Dentistry Fund	19,622	26,221	19,404	26,439	20,420	21,865	24,994	20,701	21,859	23,836
0752-Home Furnishings and Thermal Insulation Fund	6,851	-5,366	--	1,485	--	--	1,485	--	--	1,485
0755-Licensed Midwifery Fund	183	98	95	186	89	128	147	97	130	114
0757-California Board of Architectural Examiners - Landscape Architects Fund	645	1,392	886	1,151	1,405	1,233	1,323	1,421	1,298	1,446
0758-Contingent Fund of the Medical Board of California	12,488	76,660	75,348	13,800	87,783	89,916	11,667	89,340	90,397	10,610
0759-Physical Therapy Fund	5,681	7,371	7,266	5,786	7,417	7,949	5,254	7,627	7,962	4,919
0761-Board of Registered Nursing Fund, Professions and Vocations Fund	27,545	110,074	61,850	75,769	80,451	56,267	99,953	81,680	67,336	114,297
0763-Optometry Fund, Professions and Vocations Fund	2,931	3,345	3,203	3,073	3,296	4,187	2,182	3,300	4,031	1,451
0767-Pharmacy Board Contingent Fund, Professions and Vocations Fund	19,520	40,626	33,929	26,217	37,506	38,181	25,542	38,005	39,094	24,453
0769-Private Investigator Fund	2	--	--	2	--	--	2	--	--	2

SCHEDULE 10 AT 2026-27 GOVERNOR'S BUDGET
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Fund	Beginning Reserve 2024-25	Revenues 2024-25	Expenditures 2024-25	Beginning Reserve 2025-26	Revenues 2025-26	Expenditures 2025-26	Beginning Reserve 2026-27	Revenues 2026-27	Expenditures 2026-27	Ending Reserve 2026-27
0770-Professional Engineer's, Land Surveyor's, and Geologist's Fund	3,699	12,026	12,045	3,680	13,242	14,373	2,549	17,120	14,747	4,922
0771-Court Reporters Fund	1,443	1,481	1,348	1,576	1,430	1,377	1,629	1,453	1,397	1,685
0773-Behavioral Science Examiners Fund, Professions and Vocations Fund	16,236	24,260	14,345	26,151	25,073	15,654	35,570	14,077	15,825	33,822
0775-Structural Pest Control Fund	2,638	5,425	6,428	1,635	6,978	6,939	1,674	6,978	7,093	1,559
0777-Veterinary Medical Board Contingent Fund	9,768	9,154	8,339	10,583	8,883	9,678	9,788	8,770	9,592	8,966
0779-Vocational Nursing and Psychiatric Technicians Fund	15,428	26,653	18,378	23,703	26,411	19,859	30,255	26,578	21,377	35,456
0847-Asset Forfeiture Fund	--	21,297	1,196	20,101	--	2,500	17,601	--	843	16,758
0932-Trial Court Trust Fund	381,307	1,270,368	1,393,008	258,667	1,290,575	1,365,848	183,394	1,291,630	1,322,612	152,412
0933-Managed Care Fund	78,232	152,277	148,662	81,847	142,162	192,413	31,596	228,173	198,154	61,615
0940-Bosco-Keene Renewable Resources Investment Fund	191	2,511	1,173	1,529	1,081	1,155	1,455	1,081	1,177	1,359
1003-Cleanup Loans and Environmental Assistance to Neighborhoods Account	3,063	111	--	3,174	-40	1,000	2,134	-40	1,000	1,094
1006-Rural CUPA Reimbursement Account	1,204	--	-55	1,259	--	--	1,259	--	720	539
1008-Firearms Safety and Enforcement Special Fund	11,348	14,436	11,242	14,542	12,810	12,535	14,817	7,810	12,663	9,964
1011-Budget Stabilization Account	23,194,422	-4,767,000	--	18,427,422	-7,100,000	--	11,327,422	3,023,000	--	14,350,422
1017-Umbilical Cord Blood Collection Program Fund	12,479	3,329	2,500	13,308	3,398	2,500	14,206	3,398	2,500	15,104
1018-Lake Tahoe Science and Lake Improvement Account, General Fund	6,396	2,005	1,791	6,610	2,005	1,879	6,736	2,005	2,493	6,248
1019-Safety Net Reserve Fund	900,000	-900,000	--	--	--	--	--	--	--	--
1027-Full-Day Kindergarten Facilities Account	4,462	9	-27,907	32,378	--	-528	32,906	--	33,077	-171
1029-The Public School System Stabilization Account	--	--	-3,845,082	3,845,082	--	-664,332	4,509,414	--	407,071	4,102,343
1030-Consumer Privacy Fund	1,599	978	--	2,577	1,355	750	3,182	700	1,678	2,204
1031-California Institute for Regenerative Medicine Licensing Revenues and Royalties Fund	16,791	668	2,000	15,459	668	5,000	11,127	668	5,000	6,795
2503-SR-710 Rehabilitation Account	843	428	252	1,019	1,381	1,200	1,200	1,200	1,200	1,200
2504-Advance Mitigation Account, State Transportation Fund	126,897	5,712	560	132,049	4,435	8,300	128,184	4,435	--	132,619

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Fund	Beginning Reserve 2024-25	Revenues 2024-25	Expenditures 2024-25	Beginning Reserve 2025-26	Revenues 2025-26	Expenditures 2025-26	Beginning Reserve 2026-27	Revenues 2026-27	Expenditures 2026-27	Ending Reserve 2026-27
3001-Public Beach Restoration Fund	7,709	--	--	7,709	--	6,300	1,409	--	--	1,409
3002-Electrician Certification Fund	18,191	3,505	1,523	20,173	3,358	2,904	20,627	3,358	3,002	20,983
3004-Garment Industry Regulations Fund	1,893	1,605	1,662	1,836	1,746	2,227	1,355	1,746	3,059	42
3007-Traffic Congestion Relief Fund	29,621	-822	106	28,693	-3,571	494	24,628	-3,572	495	20,561
3010-Pierces Disease Management Account	8,126	4,875	7,528	5,473	4,958	5,072	5,359	4,958	5,193	5,124
3013-California Central Coast State Veterans Cemetery at Fort Ord Operations Fund	248	90	31	307	90	69	328	90	71	347
3015-Gas Consumption Surcharge Fund	95,426	1,000,930	1,023,385	72,971	1,002,732	563,070	512,633	1,002,732	563,120	952,245
3016-Missing Persons DNA Data Base Fund	6,143	3,619	4,075	5,687	3,652	4,206	5,133	3,652	4,274	4,511
3017-Occupational Therapy Fund	1,516	3,320	3,403	1,433	3,357	3,421	1,369	3,939	3,472	1,836
3018-Drug and Device Safety Fund	3,258	7,109	7,239	3,128	7,190	8,321	1,997	7,548	8,406	1,139
3019-Substance Abuse Treatment Trust Fund	277	--	--	277	--	--	277	--	--	277
3020-Tobacco Settlement Fund	1,215	-1,215	--	--	--	--	--	--	--	--
3022-Apprenticeship Training Contribution Fund	80,153	33,228	13,196	100,185	34,807	34,171	100,821	36,339	35,194	101,966
3024-Rigid Container Account	373	190	118	445	182	163	464	151	161	454
3025-Abandoned Mine Reclamation and Minerals Fund Subaccount, Mine Reclamation Account	6,325	1,200	549	6,976	1,337	1,410	6,903	1,337	1,470	6,770
3027-Trauma Care Fund	6	--	--	6	--	--	6	--	--	6
3030-Workers Occupational Safety and Health Education Fund	3,838	1,519	958	4,399	1,420	1,116	4,703	1,420	1,136	4,987
3034-Antiterrorism Fund	978	785	823	940	885	1,104	721	885	1,511	95
3036-Alcohol Beverage Control Fund	21,584	103,032	105,499	19,117	104,525	108,479	15,163	107,317	109,073	13,407
3037-State Court Facilities Construction Fund	148,791	269,400	310,114	108,077	293,990	328,325	73,742	266,786	288,507	52,021
3039-Dentally Underserved Account, State Dentistry Fund	818	36	42	812	11	135	688	11	136	563
3042-Victims of Corporate Fraud Compensation Fund	3,872	2,359	279	5,952	2,000	1,623	6,329	2,000	1,611	6,718
3046-Oil, Gas, and Geothermal Administrative Fund	47,416	174,891	152,851	69,456	159,672	161,350	67,778	159,672	170,039	57,411
3053-Public Rights Law Enforcement Special Fund	70,121	16,140	15,938	70,323	18,650	16,637	72,336	19,522	18,028	73,830

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Fund	Beginning Reserve 2024-25	Revenues 2024-25	Expenditures 2024-25	Beginning Reserve 2025-26	Revenues 2025-26	Expenditures 2025-26	Beginning Reserve 2026-27	Revenues 2026-27	Expenditures 2026-27	Ending Reserve 2026-27
3054-Health Care Benefits Fund	1,153	2,274	2,200	1,227	2,200	2,200	1,227	2,200	2,200	1,227
3056-Safe Drinking Water and Toxic Enforcement Fund	9,067	4,700	2,338	11,429	3,362	2,520	12,271	3,312	2,730	12,853
3057-Dam Safety Fund	11,386	26,361	26,553	11,194	27,885	26,815	12,264	29,467	28,723	13,008
3058-Water Rights Fund	12,927	37,521	37,730	12,718	42,790	43,856	11,652	44,079	44,628	11,103
3060-Appellate Court Trust Fund	30,687	7,037	5,080	32,644	6,752	12,153	27,243	6,752	14,070	19,925
3062-Energy Facility License and Compliance Fund	10,252	9,059	12,331	6,980	10,373	8,800	8,553	4,945	8,746	4,752
3063-State Responsibility Area Fire Prevention Fund	1,667	--	--	1,667	--	--	1,667	--	--	1,667
3064-Mental Health Practitioner Education Fund	2,625	273	737	2,161	1,143	758	2,546	1,113	1,000	2,659
3065-Electronic Waste Recovery and Recycling Account, Integrated Waste Management Fund	194,058	80,363	99,731	174,690	79,139	119,924	133,905	84,150	109,092	108,963
3066-Court Facilities Trust Fund	45,197	104,312	104,030	45,479	102,212	104,030	43,661	101,998	104,030	41,629
3067-Cigarette and Tobacco Products Compliance Fund	11,891	10,243	8,404	13,730	10,618	17,319	7,029	16,118	20,460	2,687
3068-Vocational Nurse Education Fund	1,322	-707	217	398	287	228	457	281	243	495
3069-Naturopathic Doctors Fund	841	667	721	787	724	729	782	736	761	757
3070-Nontoxic Dry Cleaning Incentive Trust Fund	359	--	3	356	--	--	356	--	--	356
3071-Car Wash Worker Restitution Fund	2,378	252	--	2,630	251	421	2,460	251	421	2,290
3072-Car Wash Worker Fund	4,674	457	148	4,983	462	659	4,786	462	669	4,579
3074-Medical Marijuana Program Fund	12	--	--	12	--	--	12	--	--	12
3075-Unlawful Sales Reduction Fund	85	--	--	85	--	--	85	--	--	85
3078-Labor and Workforce Development Fund	664,319	91,088	76,920	678,487	-191,362	191,308	295,817	208,638	43,566	460,889
3079-Childrens Medical Services Rebate Fund	45,704	2,317	1,128	46,893	6,074	4,105	48,862	4,077	2,108	50,831
3080-AIDS Drug Assistance Program Rebate Fund	715,530	-147,789	244,162	323,579	272,215	356,675	239,119	321,020	356,345	203,794
3081-Cannery Inspection Fund	2,562	3,304	4,424	1,442	4,347	4,563	1,226	5,547	4,659	2,114
3083-Welcome Center Fund	353	85	8	430	60	108	382	60	106	336
3084-State Certified Unified Program Agency Account	2,688	2,525	2,404	2,809	2,267	2,550	2,526	2,267	2,639	2,154
3085-Behavioral Health Services Fund	2,581,702	3,370,331	5,223,165	728,868	4,354,460	4,445,300	638,028	4,519,717	4,602,587	555,158

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Fund	Beginning Reserve 2024-25	Revenues 2024-25	Expenditures 2024-25	Beginning Reserve 2025-26	Revenues 2025-26	Expenditures 2025-26	Beginning Reserve 2026-27	Revenues 2026-27	Expenditures 2026-27	Ending Reserve 2026-27
3086-DNA Identification Fund	11,202	34,790	35,934	10,058	35,311	35,771	9,598	34,126	37,109	6,615
3087-Unfair Competition Law Fund	356,816	-91,994	48,910	215,912	-123,279	53,291	39,342	20,817	58,214	1,945
3088-Registry of Charities and Fundraisers Fund	17,977	12,603	10,533	20,047	12,473	11,061	21,459	11,473	11,255	21,677
3089-Public Utilities Commission Public Advocate's Office Account	22,605	55,953	52,753	25,805	54,988	57,640	23,153	55,517	58,023	20,647
3091-Certified Access Specialist Fund	2,142	360	411	2,091	360	437	2,014	360	445	1,929
3095-Film Promotion and Marketing Fund	20	1	--	21	1	10	12	1	10	3
3096-Nondesignated Public Hospital Supplemental Fund	6,448	275	-305	7,028	753	7,056	725	753	--	1,478
3097-Private Hospital Supplemental Fund	45,840	40,479	2,729	83,590	83,219	125,629	41,180	97,098	79,608	58,670
3098-State Department of Public Health Licensing and Certification Program Fund	249,171	195,528	295,292	149,407	303,027	329,284	123,150	333,027	331,994	124,183
3099-Mental Health Facility Licensing Fund	3,701	728	181	4,248	--	399	3,849	--	424	3,425
3101-Analytical Laboratory Account, Department of Food and Agriculture Fund	9,000	357	124	9,233	846	445	9,634	846	455	10,025
3103-Hatchery and Inland Fisheries Fund	9,312	25,960	26,750	8,522	28,175	31,923	4,774	29,667	32,801	1,640
3107-Transportation Debt Service Fund	--	1,387,171	1,387,171	--	1,433,472	1,433,472	--	1,455,873	1,455,873	--
3108-Professional Fiduciary Fund	303	1,298	716	885	1,347	1,136	1,096	1,407	1,130	1,373
3109-Natural Gas Subaccount, Public Interest Research, Development, and Demonstration Fund	67,910	29,855	24,000	73,765	24,250	24,146	73,869	24,250	24,035	74,084
3110-Gambling Addiction Program Fund	3,163	-2,506	153	504	296	360	440	2,996	359	3,077
3112-Equality in Prevention and Services for Domestic Abuse Fund	592	260	--	852	--	--	852	--	--	852
3113-Residential and Outpatient Program Licensing Fund	5	11,593	8,500	3,098	12,195	11,470	3,823	11,520	13,969	1,374
3114-Birth Defects Monitoring Program Fund	7,146	-445	2,875	3,826	4,191	2,684	5,333	9,171	2,710	11,794
3117-Alternative and Renewable Fuel and Vehicle Technology Fund	405,331	266,794	408,451	263,674	111,200	111,195	263,679	111,200	111,286	263,593
3119-Air Quality Improvement Fund	40,522	42,600	38,862	44,260	42,600	39,068	47,792	42,600	39,200	51,192
3120-State Fire Marshal Fireworks Enforcement and Disposal Fund	235	--	--	235	--	--	235	--	--	235

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Fund	Beginning Reserve 2024-25	Revenues 2024-25	Expenditures 2024-25	Beginning Reserve 2025-26	Revenues 2025-26	Expenditures 2025-26	Beginning Reserve 2026-27	Revenues 2026-27	Expenditures 2026-27	Ending Reserve 2026-27
3121-Occupational Safety and Health Fund	200,213	58,122	125,253	133,082	90,371	145,968	77,485	150,834	168,294	60,025
3122-Enhanced Fleet Modernization Subaccount, High Polluter Repair or Removal Account	41,602	40,167	12,214	69,555	36,103	53,228	52,430	36,441	33,423	55,448
3123-Coastal Act Services Fund	4,372	1,766	1,569	4,569	1,486	1,787	4,268	1,486	1,854	3,900
3131-California Bingo Fund	2	-18	-41	25	--	--	25	--	--	25
3132-Charity Bingo Mitigation Fund	--	-255	-258	3	--	--	3	--	--	3
3133-Managed Care Administrative Fines and Penalties Fund	45,517	-6,505	--	39,012	-34,412	--	4,600	-100	--	4,500
3134-School District Account, Underground Storage Tank Cleanup Fund	6,217	281	--	6,498	280	--	6,778	284	--	7,062
3136-Foreclosure Consultant Regulation Fund	19	1	--	20	1	--	21	1	--	22
3137-Emergency Medical Technician Certification Fund	2,095	1,953	1,362	2,686	1,782	1,975	2,493	1,782	2,047	2,228
3139-Specialized License Plate Fund	281	426	450	257	428	468	217	428	471	174
3140-State Dental Hygiene Fund	3,850	3,626	2,636	4,840	3,446	3,083	5,203	3,450	3,074	5,579
3141-California Advanced Services Fund	308,541	161,590	71,531	398,600	146,815	272,552	272,863	146,840	146,600	273,103
3144-Building Standards Administration Special Revolving Fund	10,158	5,428	4,853	10,733	3,600	7,242	7,091	3,600	5,669	5,022
3145-Underground Storage Tank Petroleum Contamination Orphan Site Cleanup Fund	-1,333	45,854	38,045	6,476	347	--	6,823	398	--	7,221
3147-State Water Pollution Control Revolving Fund Small Community Grant Fund	52,152	10,530	15,131	47,551	13,048	14,060	46,539	12,890	8,000	51,429
3149-Local Safety and Protection Account, Transportation Tax Fund	711	--	--	711	--	--	711	--	--	711
3150-State Public Works Enforcement Fund	31,935	22,692	17,517	37,110	20,705	21,975	35,840	20,705	22,670	33,875
3151-Internal Health Information Integrity Quality Improvement Account	1	--	--	1	--	--	1	--	--	1
3152-Labor Enforcement and Compliance Fund	202,635	39,558	111,944	130,249	79,817	130,572	79,494	125,466	140,120	64,840
3153-Horse Racing Fund	3,692	20,303	20,065	3,930	20,509	20,509	3,930	20,061	20,061	3,930

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Fund	Beginning Reserve 2024-25	Revenues 2024-25	Expenditures 2024-25	Beginning Reserve 2025-26	Revenues 2025-26	Expenditures 2025-26	Beginning Reserve 2026-27	Revenues 2026-27	Expenditures 2026-27	Ending Reserve 2026-27
3155-Lead-Related Construction Fund	1,212	1,216	694	1,734	1,100	897	1,937	1,100	979	2,058
3156-Children's Health and Human Services Special Fund	143,103	4,897	--	148,000	6,491	--	154,491	6,491	149,702	11,280
3158-Hospital Quality Assurance Revenue Fund	227,386	4,883,990	4,931,149	180,227	6,229,315	5,020,486	1,389,056	11,304,062	10,937,773	1,755,345
3160-Wastewater Operator Certification Fund	1,227	921	1,306	842	1,453	1,380	915	1,946	1,401	1,460
3164-Renewable Energy Resources Development Fee Trust Fund	175	8	--	183	--	--	183	--	--	183
3165-Enterprise Zone Fund	243	11	--	254	9	--	263	9	--	272
3167-Skilled Nursing Facility Quality and Accountability Fund	2,542	86	629	1,999	87	--	2,086	87	--	2,173
3168-Emergency Medical Air Transportation and Children's Coverage Fund	224	7	--	231	10	--	241	10	--	251
3170-Heritage Enrichment Resource Fund	1,160	206	36	1,330	206	48	1,488	206	48	1,646
3171-Local Revenue Fund 2011	--	-42,758	-42,758	--	-46,478	-46,478	--	-48,186	-48,187	1
3172-Public Hospital Investment, Improvement, and Incentive Fund	618	--	--	618	--	--	618	--	--	618
3195-Carpet Stewardship Account, Integrated Waste Management Fund	864	598	652	810	727	597	940	766	588	1,118
3196-Carpet Stewardship Penalty Subaccount, Integrated Waste Management Fund	1,185	1,700	--	2,885	1,700	--	4,585	1,700	--	6,285
3200-CalWORKs Maintenance of Effort Subaccount, Sales Tax Account	--	752,888	752,888	--	752,888	752,888	--	752,888	752,888	--
3201-Low Income Health Program MCE Out-of- Network Emergency Care Services Fund	856	29	--	885	29	--	914	29	--	943
3202-Architectural Paint Stewardship Account, Integrated Waste Management Fund	575	616	637	554	1,140	1,180	514	1,139	1,200	453
3205-Appliance Efficiency Enforcement Subaccount, Energy Resources Programs Account	1,473	4,159	2,965	2,667	3,004	3,008	2,663	3,004	3,023	2,644
3207-Education Protection Account	--	--	-15	15	--	--	15	--	--	15
3209-Health Plan Improvement Trust Fund	4,790	2,614	2,594	4,810	2,516	3,361	3,965	2,516	2,959	3,522

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3210-Davis-Dolwig Account, California Water Resources Development Bond Fund	2,923	10,000	10,683	2,240	10,000	10,000	2,240	10,000	10,000	2,240
3211-Electric Program Investment Charge Fund	27,359	327,355	327,315	27,399	148,000	147,981	27,418	148,000	147,103	28,315
3212-Timber Regulation and Forest Restoration Fund	182,584	54,886	159,639	77,831	46,000	63,954	59,877	46,000	58,122	47,755
3213-Long-Term Care Quality Assurance Fund	179,248	588,320	624,015	143,553	702,793	661,490	184,856	702,793	622,867	264,782
3215-Law Enforcement Services Account, Local Revenue Fund 2011	--	--	--	--	1	--	1	--	--	1
3216-Protective Services Subaccount, Support Services Account	--	3,064,322	3,064,322	--	3,081,344	3,081,344	--	3,177,825	3,177,825	--
3217-Behavioral Health Subaccount, Support Services Account	--	2,224,500	2,224,500	--	2,243,414	2,243,414	--	2,350,616	2,350,616	--
3221-Trial Court Security Subaccount, Law Enforcement Services Account	--	646,820	646,820	--	648,857	648,857	--	660,402	660,402	--
3222-Enhancing Law Enforcement Activities Subaccount, Law Enforcement Services Account	--	489,900	489,900	--	489,900	489,900	--	489,900	489,900	--
3223-Community Corrections Subaccount, Law Enforcement Services Account	--	1,964,660	1,964,660	--	1,979,936	1,979,936	--	2,066,522	2,066,522	--
3224-District Attorney and Public Defender Subaccount, Law Enforcement Services Account	--	81,484	81,484	--	82,502	82,502	--	88,274	88,274	--
3226-Juvenile Reentry Grant Special Account, Juvenile Justice Subaccount	--	13,753	13,753	--	13,865	13,865	--	14,503	14,503	--
3227-Youthful Offender Block Grant Special Account, Juvenile Justice Subaccount	--	235,442	235,442	--	237,366	237,366	--	248,274	248,274	--
3228-Greenhouse Gas Reduction Fund	8,982,439	3,748,414	5,106,396	7,624,457	4,135,356	11,509,362	250,451	4,019,946	4,134,651	135,746
3229-Sales and Use Tax Growth Account, Local Revenue Fund 2011	2	--	--	2	--	--	2	-2	--	--
3230-Juvenile Justice Growth Special Account, Law Enforcement Services Growth Subaccount	--	2,037	2,037	--	11,545	11,545	--	7,121	7,121	--

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3231-Enhancing Law Enforcement Activities Growth Special Account, Enhancing Law Enforcement Activities Subaccount	--	401,572	401,572	--	427,922	427,922	--	443,631	443,631	--
3232-District Attorney and Public Defender Growth Special Account, Law Enforcement Services Growth Subaccount	--	1,018	1,018	--	5,772	5,772	--	3,561	3,561	--
3233-Community Corrections Growth Special Account, Law Enforcement Services Growth Subaccount	--	15,276	15,276	--	86,586	86,586	--	53,408	53,408	--
3234-Trial Court Security Growth Special Account, Law Enforcement Services Growth Subaccount	--	2,037	2,037	--	11,545	11,545	--	7,121	7,121	--
3235-Behavioral Health Services Growth Special Account, Support Services Growth Subaccount	--	18,913	18,913	--	107,202	107,202	--	66,124	66,124	--
3236-Protective Services Growth Special Account, Support Services Growth Subaccount	--	17,022	17,022	--	96,481	96,481	--	59,511	59,511	--
3237-Cost of Implementation Account, Air Pollution Control Fund	4,549	139,007	132,448	11,108	138,006	134,976	14,138	137,506	136,275	15,369
3238-State Parks Revenue Incentive Subaccount, State Parks and Recreation Fund	5,458	259	63	5,654	--	5,076	578	--	--	578
3239-Women and Childrens Residential Treatment Services Special Account	--	5,104	5,104	--	5,104	5,104	--	5,104	5,104	--
3240-Secondhand Dealer and Pawnbroker Fund	2,923	705	637	2,991	643	676	2,958	643	708	2,893
3244-Political Disclosure, Accountability, Transparency, and Access Fund	355	754	643	466	510	634	342	760	613	489
3245-Disability Access and Education Revolving Fund	4,335	950	493	4,792	950	845	4,897	950	861	4,986
3246-Civil Rights Enforcement and Litigation Fund	10,824	4,846	9,785	5,885	500	532	5,853	500	2,039	4,314
3248-Family Support Subaccount, Sales Tax Account	--	615,678	615,678	--	538,986	538,986	--	484,123	484,123	--
3249-Child Poverty and Family Supplemental Support Subaccount, Sales Tax Account	--	523,438	523,438	--	523,438	523,438	--	523,438	523,438	--

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Fund	Beginning Reserve 2024-25	Revenues 2024-25	Expenditures 2024-25	Beginning Reserve 2025-26	Revenues 2025-26	Expenditures 2025-26	Beginning Reserve 2026-27	Revenues 2026-27	Expenditures 2026-27	Ending Reserve 2026-27
3251-Prepaid Mobile Telephony Services Surcharge Fund	317	4	--	321	--	--	321	--	--	321
3252-CURES Fund	1,385	3,285	3,835	835	4,546	4,114	1,267	4,783	4,330	1,720
3254-Business Programs Modernization Fund	6,776	2,492	71	9,197	2,000	--	11,197	2,000	1,000	12,197
3255-Home Care Fund	5,133	9,838	12,801	2,170	9,838	7,322	4,686	9,838	9,822	4,702
3256-Specialized First Aid Training Program Approval Fund	48	10	--	58	10	--	68	10	--	78
3257-Used Mattress Recycling Fund	2,353	--	500	1,853	-400	34	1,419	-200	32	1,187
3258-Mattress Recovery and Recycling Penalty Account, Used Mattress Recycling Fund	111	8	--	119	9	--	128	8	--	136
3261-Vessel Operator Certification Account, Harbors and Watercraft Revolving Fund	2,162	1,159	783	2,538	650	1,086	2,102	415	1,094	1,423
3262-Expedited Claim Account, Underground Storage Tank Cleanup Fund	3,016	--	--	3,016	--	--	3,016	--	--	3,016
3263-College Access Tax Credit Fund	2,122	801	109	2,814	801	279	3,336	801	497	3,640
3264-Site Cleanup Subaccount	80,130	36,968	77,130	39,968	36,443	38,710	37,701	42,103	44,691	35,113
3265-Prepaid MTS PUC Account	31	--	--	31	--	--	31	--	--	31
3267-Reusable Grocery Bag Fund	1,338	39	--	1,377	118	256	1,239	140	256	1,123
3268-Senior Citizens and Disabled Citizens Property Tax Postponement Fund	6,205	6,503	2,312	10,396	10,003	10,058	10,341	7,503	10,050	7,794
3270-Local Charges for Prepaid Mobile Telephony Service Fund	49	1,897	1,946	--	1,164	1,164	--	1,164	1,164	--
3273-Employment Opportunity Fund	1,109	--	1,109	--	--	--	--	--	277	-277
3274-Social Services Subaccount, Vehicle License Fee Account	--	216,223	216,223	--	216,223	216,223	--	216,223	216,223	--
3276-CalWORKs Maintenance of Effort Subaccount, Vehicle License Fee Account	--	367,663	367,663	--	367,663	367,663	--	367,663	367,663	--
3278-Mental Health Subaccount, Vehicle License Fee Account	--	195,932	195,932	--	219,645	219,645	--	261,791	261,791	--
3279-Health Subaccount, Vehicle License Fee Account	--	1,115,907	1,115,907	--	1,127,598	1,127,598	--	1,148,376	1,148,376	--
3280-General Growth Subaccount, Vehicle License Fee Growth Account	--	63,348	63,348	--	112,589	112,589	--	88,895	88,895	--
3281-Family Support Subaccount, Vehicle License Fee Account	--	185,798	185,798	--	185,798	185,798	--	185,798	185,798	--

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3282-Child Poverty and Family Supplemental Support Subaccount, Vehicle License Fee Account	--	526,818	526,818	--	554,763	554,763	--	604,428	604,428	--
3285-Electronic Recording Authorization Fund	31	390	276	145	387	315	217	387	319	285
3286-Safe Neighborhoods and Schools Fund	15,172	-61,353	-57,679	11,498	-59,225	-59,031	11,304	-52,591	-52,494	11,207
3287-Second Chance Fund	170,024	61,353	161,033	70,344	59,225	59,225	70,344	52,591	52,591	70,344
3288-Cannabis Control Fund	139,128	135,212	158,604	115,736	138,572	119,290	135,018	124,791	121,512	138,297
3290-Road Maintenance and Rehabilitation Account, State Transportation Fund	2,236,517	4,342,315	4,152,370	2,426,462	4,405,950	4,477,109	2,355,303	4,609,192	4,720,585	2,243,910
3291-Trade Corridor Enhancement Account, State Transportation Fund	1,125,171	486,690	304,558	1,307,303	434,970	790,074	952,199	435,872	627,971	760,100
3292-State Project Infrastructure Fund	238,851	-493,706	-300,000	45,145	-250,000	-250,000	45,145	-150,000	-150,000	45,145
3294-Consumer Recovery Account	-1,309	--	380	-1,689	-1,000	--	-2,689	--	--	-2,689
3295-Education and Research Account	1,534	--	110	1,424	-800	216	408	200	214	394
3296-Flood Risk Management Fund	1,682	300	1,600	382	300	308	374	300	308	366
3297-Major League Sporting Event Raffle Fund	2,877	855	250	3,482	748	476	3,754	748	508	3,994
3299-Oil and Gas Environmental Remediation Account	8,433	27,097	--	35,530	582	1,000	35,112	582	1,003	34,691
3300-Ammunition Vendors Special Account	--	98	42	56	80	72	64	80	81	63
3301-Lead-Acid Battery Cleanup Fund	66,648	36,110	36,725	66,033	33,000	78,521	20,512	33,000	36,359	17,153
3302-Safe Energy Infrastructure and Excavation Fund	12,410	3,969	5,829	10,550	5,260	8,831	6,979	5,260	8,271	3,968
3303-Ammunition Safety and Enforcement Special Fund	2,546	5,435	3,823	4,158	5,019	3,617	5,560	5,019	3,693	6,886
3304-California Healthcare, Research and Prevention Tobacco Tax Act of 2016 Fund	533	445	418	560	1,424	1,425	559	1,386	1,513	432
3305-Healthcare Treatment Fund	76,465	634,928	231,267	480,126	497,277	471,398	506,005	463,387	463,387	506,005
3306-Graduate Medical Education Account, California Healthcare, Research and Prevention Tobacco Tax Act of 2016 Fund	89,876	24,614	84,697	29,793	22,032	22,032	29,793	20,704	20,704	29,793

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3307-State Dental Program Account, California Healthcare, Research and Prevention Tobacco Tax Act of 2016 Fund	48,008	18,461	46,435	20,034	16,524	25,682	10,876	15,528	24,851	1,553
3308-Tobacco Law Enforcement Account, California Healthcare, Research and Prevention Tobacco Tax Act of 2016 Fund	1,230	--	--	1,230	--	--	1,230	--	--	1,230
3310-Medical Research Program Account, California Healthcare, Research and Prevention Tobacco Tax Act of 2016 Fund	88,497	29,851	33,379	84,969	28,736	28,736	84,969	28,255	28,255	84,969
3311-Health Care Services Plan Fines and Penalties Fund	30,574	44,728	70,188	5,114	20,400	20,884	4,630	3,500	551	7,579
3312-Natural Resources and Parks Preservation Fund	32,709	--	4,150	28,559	--	22,937	5,622	--	677	4,945
3313-Southern California Veterans Cemetery Master Development Fund	25,329	1,235	-5,000	31,564	--	--	31,564	--	--	31,564
3314-California Cannabis Tax Fund	504,909	-70,981	13,839	420,089	-36,086	21,390	362,613	-17,451	20,013	325,149
3315-Household Movers Fund, Professions and Vocations Fund	8,910	-7,276	--	1,634	--	--	1,634	--	--	1,634
3318-Department of Public Health Subaccount, Tobacco Law Enforcement Account, CA Healthcare, Research and Prevention Tobacco Tax Act of 2016 Fund	1,677	3,692	3,210	2,159	3,305	3,804	1,660	3,106	4,455	311
3319-Department of Tax and Fee Administration Subaccount, Tobacco Law Enforcement Account, CA Healthcare, Research and Prevention Tobacco Tax Act of 2016 Fund	11,296	3,692	3,539	11,449	3,305	4,611	10,143	3,106	4,877	8,372
3320-Department of Justice Subaccount, Tobacco Law Enforcement Account, CA Healthcare, Research and Prevention Tobacco Tax Act of 2016 Fund	63,987	27,682	28,714	62,955	19,829	37,859	44,925	18,634	38,200	25,359
3321-Department of Education Subaccount, Tobacco Prevention and Control Programs Account, CA Healthcare, Research and Prevention Tobacco Tax Act of 2016 Fund	11,243	12,982	23,080	1,145	11,208	11,144	1,209	11,021	11,088	1,142

SCHEDULE 10 AT 2026-27 GOVERNOR'S BUDGET
SUMMARY OF FUND CONDITION STATEMENTS
(Dollars in Thousands)

Fund	Beginning Reserve 2024-25	Revenues 2024-25	Expenditures 2024-25	Beginning Reserve 2025-26	Revenues 2025-26	Expenditures 2025-26	Beginning Reserve 2026-27	Revenues 2026-27	Expenditures 2026-27	Ending Reserve 2026-27
3322-Department of Public Health Subaccount, Tobacco Prevention and Control Programs Account, CA Healthcare, Research and Prevention Tobacco Tax Act of 2016 Fund	34,177	64,684	78,735	20,126	63,507	66,178	17,455	62,444	73,655	6,244
3323-Medi-Cal Emergency Medical Transport Fund	25,047	67,594	70,826	21,815	55,737	50,404	27,148	55,737	51,410	31,475
3324-Safe and Affordable Drinking Water Fund	129,498	130,000	129,880	129,618	130,000	131,237	128,381	92,000	130,379	90,002
3327-Reversion Account Subaccount, Behavioral Health Services Fund	--	2,501	2,422	79	--	--	79	--	--	79
3328-Pharmaceutical and Sharps Stewardship Fund	7,982	5,494	2,769	10,707	5,186	2,509	13,384	5,033	2,492	15,925
3329-Mobilehome Dispute Resolution Fund	6,475	4,113	3,261	7,327	3,520	4,162	6,685	3,520	4,052	6,153
3330-TNC Access for All Fund	57,958	19,719	14,798	62,879	90,000	45,000	107,879	90,000	45,000	152,879
3331-Medi-Cal Drug Rebate Fund	126,551	4,243,920	4,240,554	129,917	2,204,589	2,334,506	--	2,350,812	2,350,812	--
3333-Cannabis Tax Fund - Department of Tax and Fee Administration	2,460	10,666	13,126	--	11,683	11,683	--	17,932	17,932	--
3334-The Health Care Services Special Fund	8,844	-8,844	--	--	--	--	--	--	--	--
3335-Cannabis Tax Fund - Department of Cannabis Control	25	--	--	25	65,304	65,304	25	83,144	83,144	25
3338-Cannabis Tax Fund - Department of Fish and Wildlife	1,702	10,681	10,681	1,702	9,776	9,776	1,702	9,786	9,786	1,702
3339-Cannabis Tax Fund - State Water Resources Control Board	1,222	17,739	17,739	1,222	17,768	17,768	1,222	17,768	17,768	1,222
3340-Cannabis Tax Fund - Department of Pesticide Regulation	1,626	2,752	2,298	2,080	2,752	4,832	--	2,752	2,752	--
3341-Cannabis Tax Fund - State Controller's Office	--	489	489	--	489	489	--	489	489	--
3342-Cannabis Tax Fund - Department of Finance	440	--	440	--	--	--	--	770	770	--
3345-Cannabis Tax Fund - Employment Development Department	2,205	1,637	669	3,173	1,637	1,637	3,173	1,637	1,637	3,173
3346-Cannabis Tax Fund - Department of Cannabis Control - Allocation 2	11,127	10,000	856	20,271	10,000	30,233	38	10,000	10,000	38
3347-Cannabis Tax Fund - California Highway Patrol - Allocation 2	9,460	--	1,214	8,246	--	7,001	1,245	--	--	1,245

SCHEDULE 10 AT 2026-27 GOVERNOR'S BUDGET
SUMMARY OF FUND CONDITION STATEMENTS
(Dollars in Thousands)

Fund	Beginning Reserve 2024-25	Revenues 2024-25	Expenditures 2024-25	Beginning Reserve 2025-26	Revenues 2025-26	Expenditures 2025-26	Beginning Reserve 2026-27	Revenues 2026-27	Expenditures 2026-27	Ending Reserve 2026-27
3348-Cannabis Tax Fund - Governor's Office of Business and Economic Development - Allocation 2	6,358	50,000	52,863	3,495	50,000	50,000	3,495	50,000	50,000	3,495
3349-Cannabis Tax Fund - University of California San Diego Center for Medicinal Cannabis Research -Allocation 2	9,961	2,000	2,799	9,162	2,000	2,000	9,162	2,000	2,000	9,162
3350-Cannabis Tax Fund - Department of Health Care Services, Youth Education, Prevention, Early Intervention and Treatment Account - Allocation 3	368,729	323,056	348,731	343,054	276,778	276,778	343,054	242,293	242,293	343,054
3351-Cannabis Tax Fund - Department of Fish and Wildlife, Environmental Restoration and Protection Account - Allocation 3	176,271	64,611	64,611	176,271	55,356	55,356	176,271	48,459	48,459	176,271
3352-Cannabis Tax Fund - Department of Parks and Recreation, Environmental Restoration and Protection Account - Allocation 3	101,272	50,324	61,213	90,383	36,904	111,976	15,311	32,306	32,306	15,311
3353-Cannabis Tax Fund - California Highway Patrol, State and Local Government Law Enforcement Account - Allocation 3	133,006	50,000	41,352	141,654	50,000	163,634	28,020	50,000	50,000	28,020
3354-Cannabis Tax Fund - Board of State and Community Corrections, State and Local Government Law Enforcement Account - Allocation 3	210,351	-116,692	9,183	84,476	117,259	42,259	159,476	80,764	30,764	209,476
3357-The Supportive Housing Program Subaccount, Behavioral Health Services Fund	91,252	142,605	139,494	94,363	142,605	140,000	96,968	142,605	140,000	99,573
3358-Truck Emission Check Fund	3,609	30,000	17,296	16,313	30,000	24,595	21,718	30,000	24,065	27,653
3359-Certification Compliance Fund	23,833	56,243	41,206	38,870	49,243	54,590	33,523	49,243	57,145	25,621
3360-Financial Empowerment Fund	8,698	370	2,082	6,986	--	2,365	4,621	--	2,366	2,255
3361-California Earthquake Safety Fund	1,123	--	--	1,123	--	--	1,123	--	--	1,123
3362-PACE Oversight Fund of the State Department of Health Care Services	274	1,596	18	1,852	808	750	1,910	821	848	1,883
3363-Financial Protection Fund	83,094	144,473	160,225	67,342	171,879	174,591	64,630	183,111	178,679	69,062

SCHEDULE 10 AT 2026-27 GOVERNOR'S BUDGET
SUMMARY OF FUND CONDITION STATEMENTS
(Dollars in Thousands)

Fund	Beginning Reserve 2024-25	Revenues 2024-25	Expenditures 2024-25	Beginning Reserve 2025-26	Revenues 2025-26	Expenditures 2025-26	Beginning Reserve 2026-27	Revenues 2026-27	Expenditures 2026-27	Ending Reserve 2026-27
3364-Department of Fish and Wildlife - California Environmental Quality Act Fund	2,331	4,309	3,863	2,777	6,300	5,315	3,762	6,300	5,513	4,549
3366-California Electronic Cigarette Excise Tax Fund	2,122	-646	1,476	--	1,434	1,751	-317	1,448	1,446	-315
3371-Aliso Canyon Recovery Account	71,102	3,189	40,000	34,291	--	17,000	17,291	--	--	17,291
3372-Data Brokers' Registry Fund	960	3,745	2,280	2,425	3,230	3,095	2,560	3,230	3,846	1,944
3373-Building Initiative for Low-Emissions Development Program Fund	68,802	3,158	65,135	6,825	18	--	6,843	18	352	6,509
3375-Loan Repayment Program Account, Healthcare Treatment Fund	219,566	144	57,284	162,426	-26,005	52,389	84,032	--	48,351	35,681
3376-Cannabis Tax Fund - Governor's Office of Business and Economic Development	4,203	15,765	17,504	2,464	15,806	15,806	2,464	15,808	15,808	2,464
3377-Center for Data Insights and Innovation Fund	156	--	-14	170	--	13	157	--	13	144
3378-Small Business Hiring Credit Fund	3,063	--	--	3,063	--	--	3,063	--	--	3,063
3379-Golden State Stimulus Emergency Fund	64,252	--	--	64,252	-64,252	--	--	--	--	--
3380-Horse and Jockey Safety and Welfare Account	760	852	874	738	978	971	745	978	971	752
3381-Health Care Affordability Reserve Fund	77,338	133,166	79,246	131,258	161,455	207,000	85,713	490,660	207,000	369,373
3383-Forced or Involuntary Sterilization Compensation Account	2,011	--	650	1,361	--	--	1,361	--	--	1,361
3385-Transgender, Gender Nonconforming, and Intersex (TGI) Wellness and Equity Fund	7,227	5,000	3,206	9,021	5,000	12,213	1,808	5,000	5,000	1,808
3387-Certified Veteran Service Provider Program Fund	41,627	2,380	38,000	6,007	--	--	6,007	--	--	6,007
3388-Cannabis Fines and Penalties Account	837	320	--	1,157	--	--	1,157	--	--	1,157
3390-Mercury Thermostat Collection Program Fund	335	66	314	87	370	324	133	380	331	182
3391-Small and Rural Hospital Relief Fund	6,967	55,178	6,885	55,260	2,612	--	57,872	2,483	--	60,355
3392-Nesting Bird Habitat Incentive Program Account, Fish and Game Preservation Fund	2,961	2,264	2,354	2,871	2,244	2,714	2,401	2,244	2,893	1,752

SCHEDULE 10 AT 2026-27 GOVERNOR'S BUDGET
SUMMARY OF FUND CONDITION STATEMENTS
(Dollars in Thousands)

Fund	Beginning Reserve 2024-25	Revenues 2024-25	Expenditures 2024-25	Beginning Reserve 2025-26	Revenues 2025-26	Expenditures 2025-26	Beginning Reserve 2026-27	Revenues 2026-27	Expenditures 2026-27	Ending Reserve 2026-27
3394-California Electronic Cigarette Excise Tax Fund, Health Professions Career Opportunity Program	3,963	2,589	508	6,044	1,306	--	7,350	1,241	--	8,591
3395-California Electronic Cigarette Excise Tax Fund, University of California Medical Education Account	5,548	2,633	--	8,181	1,828	1,828	8,181	1,738	1,738	8,181
3396-Industrial Hemp Enrollment and Oversight Fund	856	495	73	1,278	450	943	785	450	1,235	--
3398-California Emergency Relief Fund	109,236	--	51,790	57,446	--	22,667	34,779	--	--	34,779
3401-Medi-Cal Loan Repayment Program Special Fund	38,046	17,265	--	55,311	12,540	--	67,851	11,920	--	79,771
3402-Learning Recovery Emergency Fund	626	--	--	626	--	--	626	--	--	626
3407-California Plastic Pollution Mitigation Fund	--	--	--	--	717	717	--	628	628	--
3408-California Circular Economy Fund	9,936	10,833	9,830	10,939	10,833	9,088	12,684	10,833	8,684	14,833
3409-Digital Divide Account, California Teleconnect Fund Administrative Committee Fund	1,556	522	--	2,078	200	200	2,078	200	200	2,078
3410-Lithium Extraction Excise Tax Fund	--	--	--	--	6,091	153	5,938	20,133	153	25,918
3411-Broadband Loan Loss Reserve Fund	50,000	3,659	--	53,659	--	50,000	3,659	--	--	3,659
3413-Diablo Canyon Extension Fund	42,343	400,000	442,343	--	--	--	--	--	--	--
3414-988 State Suicide and Behavioral Health Crisis Services Fund	44,674	49,840	22,881	71,633	44,276	62,858	53,051	57,040	99,019	11,072
3415-Fish and Wildlife Regional Conservation Investment Strategy Program Fund	69	39	--	108	--	--	108	--	--	108
3416-Covered Battery Recycling Fund	696	3,033	2,517	1,212	2,995	2,732	1,475	3,211	2,945	1,741
3418-Covered Battery-Embedded Waste Recycling Fee Subaccount, Electronic Waste Recovery and Recycling Account	997	2,024	1,574	1,447	55,976	3,133	54,290	106,570	2,932	157,928
3419-Mobilehome and Recreational Vehicle Park Training Fund	--	132	--	132	1,412	1,345	199	1,412	1,349	262
3420-Medi-Cal County Behavioral Health Fund	498,303	2,594,601	2,438,158	654,746	3,014,470	2,806,400	862,816	3,107,918	3,145,495	825,239

SCHEDULE 10 AT 2026-27 GOVERNOR'S BUDGET
SUMMARY OF FUND CONDITION STATEMENTS
(Dollars in Thousands)

Fund	Beginning Reserve 2024-25	Revenues 2024-25	Expenditures 2024-25	Beginning Reserve 2025-26	Revenues 2025-26	Expenditures 2025-26	Beginning Reserve 2026-27	Revenues 2026-27	Expenditures 2026-27	Ending Reserve 2026-27
3421-California Tobacco Directory Fund	51	27	--	78	27	--	105	27	--	132
3425-Employee Housing Regulation Fund	375	1,188	893	670	1,908	1,841	737	1,908	1,826	819
3427-Army Facilities Agreement Program Income Fund	425	2,096	2,096	425	2,500	2,925	--	2,500	2,500	--
3428-Managed Care Enrollment Fund	642,064	10,893,850	11,535,834	80	3,942,986	3,942,986	80	2,827,156	2,827,155	81
3429-Prescribed Fire Claims Fund	20,000	--	--	20,000	--	--	20,000	--	--	20,000
3430-Western Joshua Tree Conservation Fund	2,531	6,816	8,792	555	6,261	6,261	555	6,261	6,261	555
3431-Medi-Cal Provider Payment Reserve Fund	--	344,032	344,032	--	--	--	--	--	--	--
3432-Distressed Hospital Loan Program Fund	58,615	--	30,637	27,978	--	--	27,978	--	--	27,978
3436-Health Care Payments Data Fund	--	--	--	--	19,109	16,162	2,947	15,400	174	18,173
3437-Gun Violence Prevention and School Safety Fund	--	56,994	563	56,431	53,628	57,814	52,245	54,937	53,628	53,554
3438-Household Goods and Services Fund, Professions and Vocations Fund	--	26,295	12,860	13,435	12,246	14,294	11,387	12,281	14,208	9,460
3439-Pilot Boat Surcharge Account, Board of Pilot Commissioners' Special Fund	9,928	7,287	2,384	14,831	6,438	5,000	16,269	6,438	6,000	16,707
3440-California Unflavored Tobacco List Fund	--	--	--	--	1,744	872	872	786	786	872
3443-Health Care Oversight & Accountability Subfund, Protect Access to Health Care Fund	--	2,175,778	2,175,778	--	8,761,891	7,146,017	1,615,874	6,703,671	6,568,627	1,750,918
3447-Pharmacy Benefit Manager Fund	--	--	--	--	2,292	2,292	--	1,808	1,757	51
3450-Textile Stewardship Recovery Fund	--	--	--	--	3,257	3,257	--	3,257	3,257	--
3451-Behavioral Health Schoolsite Fee Schedule Administration Fund	--	--	--	--	69,300	69,300	--	69,300	69,300	--
3477-Internal Departmental Quality Improvement Account	--	--	--	--	6,750	--	6,750	6,750	7,152	6,348
3483-PFAS Enforcement Fund	--	--	--	--	--	--	--	1,840	1,840	--
3484-T.A.M.P.O.N. Act Fund	--	--	--	--	--	--	--	734	734	--
8059-State Community Corrections Performance Incentive Fund	886	--	210	676	--	--	676	--	--	676
8080-Clean Energy Job Creation Fund	13,024	--	--	13,024	--	--	13,024	--	--	13,024

SCHEDULE 10 AT 2026-27 GOVERNOR'S BUDGET
SUMMARY OF FUND CONDITION STATEMENTS
(Dollars in Thousands)

Fund	Beginning Reserve 2024-25	Revenues 2024-25	Expenditures 2024-25	Beginning Reserve 2025-26	Revenues 2025-26	Expenditures 2025-26	Beginning Reserve 2026-27	Revenues 2026-27	Expenditures 2026-27	Ending Reserve 2026-27
8507-Home & Community-Based Services American Rescue Plan Fund	452,030	--	254,738	197,292	--	--	197,292	--	--	197,292
9753-Data and Innovation Services Revolving Fund	35,131	-14,500	6,683	13,948	1,000	8,439	6,509	1,000	6,355	1,154
Totals, Special Funds	**$62,443,603**	**$80,957,896**	**$87,700,236**	**$55,701,263**	**$78,656,799**	**$94,561,262**	**$39,796,800**	**$95,340,816**	**$93,655,541**	**$41,482,075**
GRAND TOTALS	**$115,315,663**	**$313,267,217**	**$316,930,899**	**$111,651,981**	**$313,819,178**	**$332,223,150**	**$93,248,009**	**$322,726,035**	**$341,985,669**	**$73,988,375**

SCHEDULE 11 AT 2026-27 GOVERNOR'S BUDGET

STATEMENT OF GENERAL OBLIGATION BOND & COMMERCIAL PAPER DEBT OF THE STATE OF CALIFORNIA

(Dollars in Thousands)

(This statement does not include bonds issued under authority of state instrumentalities that are not general obligations of the State of California)

			General Obligation Bonds As of December 1, 2025				Proposed Sales		As of December 1, 2025	
Fund	Bond Act	Final Maturity	Authorized	Unissued	Outstanding	Redeemed **	Spring 2026	Fall 2026	Resolution Authorization	Commercial Paper Outstanding
	LEGISLATIVE, JUDICIAL, AND EXECUTIVE									
6032	Voting Modernization (2002)	2029	$200,000	$10,430	$14,295	$175,275	$0	$0	$10,430	$0
	Total, Legislative, Judicial, Executive		$200,000	$10,430	$14,295	$175,275	$0	$0	$10,430	$0
	BUSINESS, CONSUMER SERVICES & HOUSING									
6037	Housing and Emergency Shelter (2002)	2040	$2,100,000	$37,295	$119,020	$1,943,685	$20,226	$2,040	$30,295	$10,500
6066	Housing and Emergency Shelter (2006)	2045	2,850,000	143,205	712,045	1,994,750	50,699	13,377	74,005	18,990
6082	Veterans Housing and Homeless Prevention (2014)	2035	600,000	165,800	313,960	120,240	59,071	24,400	165,800	77,165
6089	Veterans and Affordable Housing (2018)	2041	3,000,000	1,360,670	1,573,190	66,140	473,807	223,067	500,000	0
	Total, Business, Consumer Services & Housing		$8,550,000	$1,706,970	$2,718,215	$4,124,815	$603,803	$262,884	$770,100	$106,655
	TRANSPORTATION									
0703	* Clean Air & Transp Improv (1990)	2039	$1,990,000	$0	$137,225	$1,852,775	$0	$0	$0	$0
6053	Highway Safe, Traffic Red, Air Qual, Port Sec (2006)	2050	19,925,000	486,825	11,980,525	7,457,650	$48,651	$56,153	57,000	103,570
6043	Safe, Reliable High-Speed Passenger Train Bond Act (2008)	2054	9,950,000	813,935	5,775,745	3,360,320	$196,865	$52,937	813,935	419,085
0653	Seismic Retrofit (1996)	2039	2,000,000	0	415,575	1,584,425	$0	$0	0	0
	Total, Transportation		$33,865,000	$1,300,760	$18,309,070	$14,255,170	$245,516	$109,090	$870,935	$522,655
	NATURAL RESOURCES									
6088	Ca Drought, Water, Parks, Climate, Coastal Protection (2018)	2055	$4,100,000	$2,090,235	$1,684,505	$325,260	$797,565	$282,695	$466,900	$99,300
0722	* Ca Park & Recreational Facil (1984) [1/]	2027	368,900	0	690	368,210	0	0	0	0
0707	* Ca Safe Drinking Water (1976) [1/]	2027	172,500	0	330	172,170	0	0	0	0
0707	* Ca Safe Drinking Water (1984)	2027	75,000	0	150	74,850	0	0	0	0
0707	* Ca Safe Drinking Water (1986)	2030	100,000	0	2,060	97,940	0	0	0	0
0793	Ca Safe Drinking Water (1988)	2040	75,000	0	7,065	67,935	0	0	0	0
6001	Ca Safe Drinking Water (2000) [4/]	2040	1,884,000	43,346	701,220	1,139,434	0	346	43,346	0
6051	Ca Safe Drinking Water (2006) [4/ 5/]	2053	5,266,357	472,877	3,060,010	1,733,470	134,307	25,163	168,730	66,140
0786	* Ca Wildlife, Coast, & Park Land Cons (1988) [1/]	2032	768,670	0	10,085	758,585	0	0	0	0
6029	Clean Water, Clean Air, and Parks (2002) [5/]	2050	2,596,643	77,628	1,446,525	1,072,490	45,474	17,244	61,878	10,635
6052	Disaster Prep and Flood Prevent (2006) [4/ 7/]	2053	3,960,560	189,862	2,642,385	1,128,313	123,891	5,573	189,862	7,535
0748	* Fish & Wildlife Habitat Enhance (1984)	2033	85,000	0	1,540	83,460	0	0	0	0
0402	Safe, Clean, Reliable Water Supply (1996) [4/]	2040	969,500	62,915	228,350	678,235	0	0	62,915	0
6093	Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air (2024)		10,000,000	9,966,600	0	33,400	964,343	811,142	151,600	33,400
0005	Safe Neighborhood Parks (2000)	2049	2,100,000	8,625	764,765	1,326,610	0	0	8,625	2,985
0742	* State, Urban & Coastal Park (1976)	2029	280,000	0	405	279,595	0	0	0	0
0744	* Water Conserv & Water Quality (1986) [4/]	2031	136,500	230	4,105	132,165	0	0	230	0
0790	Water Conserv (1988) [6/]	2036	54,765	0	3,170	51,595	0	0	0	0
6031	Water Security, Coastal & Beach Protection (2002) [4/]	2050	3,345,000	141,904	1,838,735	1,364,361	51,563	6,391	141,904	13,985
6083	Water Quality, Supply, and Infrastructure Improvement (2014) [5/]	2055	7,465,000	3,445,710	3,260,000	759,290	664,123	293,466	684,345	25,610
	Total, Natural Resources		$43,803,395	$16,499,932	$15,656,095	$11,647,368	$2,781,266	$1,442,020	$1,980,335	$259,590
	ENVIRONMENTAL PROTECTION									
0737	* Clean Water & Water Conserv (1978)	2028	$375,000	$0	$375	$374,625	$0	$0	$0	$0
0764	Clean Water & Water Reclam (1988)	2029	65,000	0	1,880	63,120	0	0	0	0
	Total, Environmental Protection		$440,000	$0	$2,255	$437,745	$0	$0	$0	$0

SCHEDULE 11 AT 2026-27 GOVERNOR'S BUDGET

STATEMENT OF GENERAL OBLIGATION BOND & COMMERCIAL PAPER DEBT OF THE STATE OF CALIFORNIA

(Dollars in Thousands)

(This statement does not include bonds issued under authority of state instrumentalities that are not general obligations of the State of California)

			General Obligation Bonds As of December 1, 2025				Proposed Sales		As of December 1, 2025	
Fund	Bond Act	Final Maturity	Authorized	Unissued	Outstanding	Redeemed **	Spring 2026	Fall 2026	Resolution Authorization	Commercial Paper Outstanding
	HEALTH AND HUMAN SERVICES									
6046	Children's Hospital Projects (2004)	2040	$750,000	$560	$508,655	$240,785	$109	$113	$560	$240
6079	Children's Hospital Projects (2008)	2047	980,000	22,370	725,495	232,135	17,995	200	22,370	16,495
6090	Children's Hospital (2018)	2053	1,500,000	998,125	371,455	130,420	334,984	30,200	364,320	76,710
6092	Behavioral Health Infrastructure (2024)	2055	6,380,000	5,158,495	1,200,000	21,505	2,063,088	1,043,129	2,098,890	21,505
	Total, Health and Human Services		$9,610,000	$6,179,550	$2,805,605	$624,845	$2,416,176	$1,073,642	$2,486,140	$114,950
	CORRECTIONS AND REHABILITATION									
0796	Co Corr Facil Cap Expend & Youth Facil (1988)	2029	$500,000	$0	$2,995	$497,005	$0	$0	$0	$0
0746	* New Prison Construction (1986)	2034	500,000	0	695	499,305	0	0	0	0
0747	New Prison Construction (1988)	2030	817,000	1,245	1,435	814,320	0	0	1,245	0
0751	New Prison Construction (1990)	2029	450,000	605	365	449,030	0	0	307	0
	Total, Youth and Adult Correctional		$2,267,000	$1,850	$5,490	$2,259,660	$0	$0	$1,552	$0
	K THRU 12 EDUCATION									
0794	Ca Library Constr & Renov (1988) 1/	2030	$72,405	$0	$935	$71,470	$0	$0	$0	$0
6000	Ca Library Constr & Renov (2000)	2040	350,000	5,040	173,440	171,520	0	0	5,040	0
0119	Class Size Reduction K-U Pub. Ed. Facil (1998) K-12	2039	6,700,000	35	1,440,055	5,259,910	0	0	35	5
0657	Public Education Facil (1996) K-12 2/	2034	2,012,035	0	171,425	1,840,610	0	0	0	0
6036	Public Education Facil (2002) K-12	2046	11,400,000	5,455	4,976,600	6,417,945	0	0	5,455	0
6044	Public Education Facil (2004) K-12	2046	10,000,000	16,160	5,379,785	4,604,055	0	0	16,160	0
6057	Public Education Facil (2006) K-12	2053	7,329,000	77,655	4,849,120	2,402,225	17,431	0	77,655	35
6086	Public Education Facil (2016) K-12	2053	7,000,000	142,235	5,227,625	1,630,140	355	0	142,235	16,215
6094	Public Education Facil (2024) K-12	2055	8,500,000	7,875,000	625,000	0	870,399	746,632	875,000	0
0739	* School Bldg & Earthquake (1974)	2026	150,000	0	1,330	148,670	0	0	0	0
0708	School Facilities (1990)	2033	800,000	0	8,690	791,310	0	0	0	0
0745	School Facilities (1992)	2036	1,900,000	10,280	11,780	1,877,940	0	0	10,280	0
0776	1988 School Facil Bond Act (Nov) 1/	2032	797,745	0	6,795	790,950	0	0	0	0
0774	1990 School Facil Bond Act (Jun) 1/	2032	797,875	0	5,290	792,585	0	0	0	0
0765	1992 School Facil Bond Act (Nov) 1/	2035	898,211	0	9,850	888,361	0	0	0	0
	Total, Education--K-12		$58,707,271	$8,131,860	$22,887,720	$27,687,691	$888,185	$746,632	$1,131,860	$16,255
	HIGHER EDUCATION									
0574	Class Size Reduction K-U Pub. Ed. Facil (1998) Hi-Ed	2039	$2,500,000	$0	$756,595	$1,743,405	$0	$0	$0	$0
0785	Higher Education Facil (1988)	2032	600,000	0	3,350	596,650	0	0	0	0
0791	Higher Education Facil (Jun 1990)	2040	450,000	540	4,710	444,750	0	0	540	0
0705	Higher Education Facil (Jun 1992)	2040	900,000	0	20,745	879,255	0	0	0	0
0658	Public Education Facil (1996) Hi-Ed	2032	975,000	4,650	135,575	834,775	0	0	4,650	0
6028	Public Education Facil (2002) Hi-Ed	2039	1,650,000	0	868,730	781,270	0	0	0	0
6041	Public Education Facil (2004) Hi-Ed	2040	2,300,000	52,039	1,344,455	903,506	27,238	0	52,039	4,450
6048/6049	Public Education Facil (2006) Hi-Ed	2043	3,087,000	38,775	2,319,715	728,510	0	11,163	38,775	0
6087	Public Education Facil (2016) CCC	2055	2,000,000	502,270	1,261,015	236,715	116,246	51,885	270,130	2,615
6095	Public Education Facil (2024) CCC		1,500,000	1,433,395	0	66,605	82,837	78,305	133,395	66,605
6047	Stem Cell Research and Cures (2004)	2039	3,000,000	18,400	769,800	2,211,800	1,083	940	18,400	21,685
6091	Stem Cell Research and Cures (2020)	2041	5,500,000	4,305,160	1,194,840	0	449,322	209,343	500,000	0
	Total, Higher Education		$24,462,000	$6,355,229	$8,679,530	$9,427,241	$676,726	$351,636	$1,017,929	$95,355

SCHEDULE 11 AT 2026-27 GOVERNOR'S BUDGET

STATEMENT OF GENERAL OBLIGATION BOND & COMMERCIAL PAPER DEBT OF THE STATE OF CALIFORNIA

(Dollars in Thousands)

(This statement does not include bonds issued under authority of state instrumentalities that are not general obligations of the State of California)

			General Obligation Bonds As of December 1, 2025				Proposed Sales		As of December 1, 2025	
Fund	Bond Act	Final Maturity	Authorized	Unissued	Outstanding	Redeemed **	Spring 2026	Fall 2026	Resolution Authorization	Commercial Paper Outstanding
	GENERAL GOVERNMENT									
0768	Earthquake Safety & Public Bldg. Rehab (1990) 6/	2030	$292,510	$0	$1,310	$291,200	$0	$0	$0	$0
0701	Veterans' Homes (2000)	2039	50,000	975	28,810	20,215	0	0	975	0
	Total, General Government		$342,510	$975	$30,120	$311,415	$0	$0	$975	$0
	Total, All Agencies		$182,247,176	$40,187,556	$71,108,395	$70,951,225	$7,611,672	$3,985,904	$8,270,256	$1,115,460
	SELF-LIQUIDATING BONDS***									
*	Ca Water Resources Dev (1959)	2024	$1,750,000	$167,600	$0	$1,582,400	$0	$0	$0	$0
	Veterans and Affordable Housing (2018) CalVet	2055	1,000,000	238,520	674,795	86,685	0	0	238,520	0
	Veterans Bonds 3/	2048	2,960,000	0	301,180	2,658,820	0	0	0	0
	Total, Self-Liquidating Bonds		$5,710,000	$406,120	$975,975	$4,327,905	$0	$0	$238,520	$0
	Total		**$187,957,176**	**$40,593,676**	**$72,084,370**	**$75,279,130**	**$7,611,672**	**$3,985,904**	**$8,508,776**	**$1,115,460**

* Bond acts not legally permitted to utilize commercial paper

** Reflects the amount of authorization for each bond act that has been reduced as a result of general obligation bonds redeemed, or commercial paper redeemed or issued but not yet redeemed

*** The Self-Liquidating bonds are public service enterprises that have dedicated revenues to finance the respective debt service expenditures

1/ Chapter 39, Statutes of 2012 (SB 1018), reduced the voter authorized amount

2/ Chapter 39, Statutes of 2012 (SB 1018) & Chapter 28, Statutes of 2013 (SB 71), reduced the voter authorized amount

3/ Chapter 727, Statutes of 2013 (AB 639), reduced the voter authorized amount

4/ Chapter 188, Statutes of 2014 (AB 1471), reduced the voter authorized amount

5/ Chapter 852, Statutes of 2017 (SB 5), reduced the voter authorized amount

6/ Chapter 18, Statutes of 2020 (AB 92) reduced the voter authorized amount

7/ The original voter authorized amount has been reduced in accordance with section 5096.828 of the Public Resources Code of the State of California

Source: State Treasurer's Office, all information except "Proposed Sales." Department of Finance, information under "Proposed Sales"

SCHEDULE 12A AT 2026-27 GOVERNOR'S BUDGET
STATE APPROPRIATIONS LIMIT SUMMARY
(Dollars in Millions)

	2024-25			2025-26			2026-27		
	General Fund	Special Funds	Total	General Fund	Special Funds	Total	General Fund	Special Funds	Total
Schedule 8									
Revenues and Transfers	$232,309	$80,958	$313,267	$235,162	$78,657	$313,819	$227,385	$95,341	$322,726
Less/Add: Transfers	-13,803	7,291	-6,512	-9,456	9,392	-64	3,661	-3,298	363
Schedule 12B									
Less: Revenues to Excluded Funds	--	-32,067	-32,067	--	-31,740	-31,740	--	-37,746	-37,746
Schedule 12C									
Less: Non-Tax Revenues to Included Funds	-5,441	-7,727	-13,168	-3,852	-7,788	-11,640	-2,920	-8,019	-10,939
Schedule 12D									
Add: Transfers from Other Funds to Included Funds	355	-168	187	327	-173	154	340	-216	124
TOTAL, SAL REVENUES AND TRANSFERS	**$213,420**	**$48,287**	**$261,707**	**$222,181**	**$48,348**	**$270,529**	**$228,466**	**$46,062**	**$274,528**
Schedule 12E									
Less: Exclusions	-84,251	-36,370	-120,621	-85,958	-38,868	-124,826	-90,234	-37,553	-127,787
TOTAL, SAL APPROPRIATIONS			**$141,086**			**$145,703**			**$146,741**
CALCULATION OF LIMIT ROOM									
Appropriations Limit (Sec. 12.00)			$147,597			$166,892			$180,590
Less: Total SAL Appropriations			141,086			145,703			146,741
Appropriation Limit Room			**$6,511**			**$21,189**			**$33,849**

SCHEDULE 12B AT 2026-27 GOVERNOR'S BUDGET
REVENUES TO EXCLUDED FUNDS
(Dollars in Thousands)

	Actual 2024-25	Estimated 2025-26	Estimated 2026-27
MAJOR REVENUES:			
4110400-Cigarette Tax	$1,140,550	$1,070,498	$1,033,109
4114000-Mobilehome In-Lieu Tax	1,888	2,021	2,021
4115600-Motor Vehicles - Other Fees	288,039	187,954	188,312
Total, MAJOR TAXES AND LICENSES	**$1,430,477**	**$1,260,473**	**$1,223,442**
MINOR REVENUES:			
REGULATORY TAXES AND LICENSES:			
4120000-Beverage Container Redemption Fees	$1,630,030	$1,656,120	$1,710,921
4120400-Building Construction Filing Fees - Physically Handicapped	6,006	5,803	5,252
4120700-Cannabis Licensing Fees	29,995	17,050	20,568
4120800-Corporation Fees - Domestic Corporations	13,120	13,700	14,200
4121000-Corporation Fees - Foreign Corporations	1,309	1,400	1,500
4121200-Delinquent Fees	12,400	11,661	11,888
4121600-Elevator and Boiler Inspection Fees	41,484	41,758	42,635
4121800-Employment Agency Filing Fees	946	880	880
4122000-Employment Agency License Fees	5,297	5,443	5,443
4122200-Energy Resources Surcharge	1,090,053	1,095,149	1,095,149
4122600-Explosive Permit Fees	1	--	--
4122800-Filing Financing Statements	2,965	3,100	3,200
4123000-Fish and Game - Licenses, Tags, and Permits	130,865	134,003	135,672
4123200-Fish and Game - Taxes	1,053	1,053	1,053
4123400-Genetic Disease Testing Fees	180,671	167,966	167,023
4123720-Horse Racing Licenses	20,918	21,385	20,937
4123740-Horse Racing Miscellaneous	--	2	2
4123800-Industrial Homework Fees	1	1	1
4124000-Insurance Company - Examination Fees	22,938	21,099	21,099
4124200-Insurance Company - License Fees and Penalties	77,034	78,068	78,889
4124400-Insurance Company - General Fees	39,808	40,164	40,164
4124600-Insurance Company - Proposition 103 Fees	53,869	46,160	46,160
4124800-Insurance Fraud Assessment - Automobile	52,355	54,930	54,930
4125000-Insurance Fraud Assessment - General	14,330	15,565	15,565
4125200-Insurance Fraud Assessment - Workers Compensation	90,284	90,329	90,329
4125400-Liquor License Fees	101,458	103,413	106,321
4125600-New Motor Vehicle Dealer License Fee	1,777	1,743	1,743
4125800-Notary Public License Fees	747	780	700
4126000-Off Highway Vehicle Fees	14,038	14,304	14,304
4126400-Processing Fee	342	348	348
4126600-Public Utilities Commission - Quarterly Fees	296,040	347,556	390,429
4126800-Public Utilities Commission - Penalties on Quarterly Fees	4	--	--
4127000-Real Estate - Examination Fees	4,540	4,195	4,195
4127200-Real Estate - License Fees	52,011	54,528	54,415
4127300-Refinery Fees	4,789	4,262	4,262
4127400-Renewal Fees	572,203	611,977	597,514
4128000-Subdivision Filing Fees	12,029	11,662	11,662
4128400-Teacher Credential Fees	31,427	30,431	30,431
4128600-Teacher Examination Fees	--	1,828	1,828
4129000-Other Fees and Licenses	-63,943	79,960	85,460
4129200-Other Regulatory Fees	8,614,137	9,986,602	15,664,592
4129400-Other Regulatory Licenses and Permits	1,035,549	1,072,324	1,174,706
4129600-Other Regulatory Taxes	175,004	177,809	177,809
Total, REGULATORY TAXES AND LICENSES	**$14,369,884**	**$16,026,511**	**$21,904,179**
REVENUE FROM LOCAL AGENCIES:			
4130000-Architecture Public Building Fees	$99,300	$101,396	$91,256
4131000-Crimes of Public Offense Fines	20,000	20,000	20,000
4131500-Felony Conviction Penalties	36,006	36,002	36,002
4132000-Fingerprint Identification Card Fees	103,173	103,173	103,173
4132500-Fish and Game Fines	615	601	601
4133000-Fish and Game Fines - Additional Assessments	42	42	42
4133500-Fish and Game Fines - Penalty Assessments	139	139	139
4134000-Local Agencies - Interest on Loans	404	427	446
4134500-Local Agencies - Cost Recoveries	100	100	100
4135000-Local Agencies - Miscellaneous Revenue	655,018	664,618	668,391
4136500-Traffic Violation Penalties	1	--	--
Total, REVENUE FROM LOCAL AGENCIES	**$914,798**	**$926,498**	**$920,150**

SCHEDULE 12B AT 2026-27 GOVERNOR'S BUDGET
REVENUES TO EXCLUDED FUNDS
(Dollars in Thousands)

	Actual 2024-25	Estimated 2025-26	Estimated 2026-27
SERVICES TO THE PUBLIC:			
4140000-Document Sales	$4,062	$4,043	$3,999
4140500-Emergency Telephone User's Surcharge	218,765	214,585	214,585
4140505-Suicide and Behavioral Health Telephone Surcharge	49,840	44,276	57,040
4142500-License Plate Fees - Personalized Plates	74,460	75,127	75,127
4143500-Miscellaneous Services to the Public	159,770	148,267	143,739
4144000-Parental Fees	664	875	901
4144500-Parking Lot Revenues	24,511	23,442	23,552
4145500-Secretary of State - Fees	53,422	54,925	57,175
4146000-State Beach and Park Service Fees	115,572	131,922	131,922
Total, SERVICES TO THE PUBLIC	**$701,066**	**$697,462**	**$708,040**
USE OF PROPERTY AND MONEY:			
4150000-Geothermal Resources Well Fees	$4,146	$3,821	$3,821
4150500-Interest Income - Interfund Loans	13,828	--	--
4151000-Interest Income - Other Loans	5,144	5,088	5,263
4151500-Miscellaneous Revenue - Use of Property and Money	25,231	28,198	28,465
4152500-Rental of State Property	20,914	20,036	20,545
4152550-Lease Revenue	427	300	300
4154000-Royalties - Federal Land	30,302	31,057	31,057
4160000-Investment Income - Condemnation Deposits Fund	478	445	445
4161000-Investment Income - Other	595	263	263
4162000-Investment Income - Pooled Money Investments	7,187	4,867	4,867
4163000-Investment Income - Surplus Money Investments	1,387,194	1,080,618	915,938
Total, USE OF PROPERTY AND MONEY	**$1,495,446**	**$1,174,693**	**$1,010,964**
MISCELLANEOUS:			
4170600-Carbon Allowances Auction Proceeds	$3,379,000	$3,770,000	$3,770,000
4170700-Civil and Criminal Violation Assessment	25,749	24,410	24,410
4170800-Confiscated Property Sales	6	6	6
4171000-Cost Recoveries - Delinquent Receivables	88	158	158
4171100-Cost Recoveries - Other	124,102	85,075	91,302
4171200-Court Filing Fees and Surcharges	612,572	645,998	645,594
4171300-Donations	1,957	1,962	1,962
4171400-Escheat - Unclaimed Checks, Warrants, Bonds, and Coupons	5,018	7,426	7,337
4171500-Escheat - Unclaimed Property	87	--	--
4172000-Fines and Forfeitures	174,856	176,997	176,420
4172200-Fine and Penalties - Horse Racing	155	253	253
4172500-Miscellaneous Revenue	7,660,611	5,849,141	6,144,208
4172800-Parking Violations	2,104	2,401	2,401
4172900-Penalty Assessments - Criminal Fines	121,195	121,783	120,135
4173000-Penalty Assessments - Other	256,912	181,606	183,252
4173100-Personal Income Tax - Penalties and Interest	23,598	23,598	23,598
4173110-Individual Shared Responsibility Penalty Assessments	295,144	270,455	290,660
4173400-Settlements and Judgments - Anti-Trust Actions - Attorney General	1,010	17,750	15,750
4173500-Settlements and Judgments - Other	239,470	228,749	228,767
4173600-State Public Land Sales	2,281	2,352	4,288
4173800-Traffic Violations	18,566	20,479	22,356
4173900-Tribal Gaming Revenues	2	29,316	29,316
4174100-Unemployment and Disability Insurance Contributions - Penalties and Interest	208,461	197,697	200,061
4170400-Capital Asset Sales Proceeds	3,654	128	128
4180050-Cash Adjustment for Transportation Funds	-822	-3,571	-3,572
Total, MISCELLANEOUS	**$13,155,776**	**$11,654,169**	**$11,978,790**
TOTAL, MINOR REVENUES	**$30,636,970**	**$30,479,333**	**$36,522,123**
TOTALS, Revenue to Excluded Funds (MAJOR and MINOR)	**$32,067,447**	**$31,739,806**	**$37,745,565**

SCHEDULE 12C AT 2026-27 GOVERNOR'S BUDGET
NON-TAX REVENUES IN FUNDS SUBJECT TO LIMIT
(Dollars in Thousands)

	Actual 2024-25		Estimated 2025-26		Estimated 2026-27	
	General Fund	Special Funds	General Fund	Special Funds	General Fund	Special Funds
MAJOR REVENUES:						
4113000-Identification Card Fees	$ --	$45,125	$ --	$46,446	$ --	$47,805
4113800-Lien Sale Application Fees	--	1,124	--	1,133	--	1,142
4115000-Motor Vehicles - Driver's License Fees	--	440,010	--	407,400	--	332,937
4115401-Motor Vehicles - Registration Fees - SAL Excludable	--	4,211,134	--	4,271,731	--	4,423,416
4115450-Transportation Improvement Fee	--	2,505,340	--	2,549,105	--	2,679,772
4115600-Motor Vehicles - Other Fees	--	84,930	--	86,251	--	87,592
Total, MAJOR TAXES AND LICENSES	**$ --**	**$7,287,663**	**$ --**	**$7,362,066**	**$ --**	**$7,572,664**
MINOR REVENUES:						
REGULATORY TAXES AND LICENSES:						
4120600-Candidate Filing Fee	$37	$ --	$964	$ --	$1,366	$ --
4125400-Liquor License Fees	--	1,105	--	1,142	--	1,142
4126000-Off Highway Vehicle Fees	--	5,157	--	5,119	--	5,081
4126400-Processing Fee	1,308	--	783	--	783	--
4129000-Other Fees and Licenses	78	--	--	--	--	--
4129200-Other Regulatory Fees	1,537	7,722	1,556	7,722	1,556	7,722
4129400-Other Regulatory Licenses and Permits	5,270	38,776	5,704	43,084	5,704	43,053
4129600-Other Regulatory Taxes	--	88,993	--	91,719	--	108,349
Total, REGULATORY TAXES AND LICENSES	**$8,230**	**$141,753**	**$9,007**	**$148,786**	**$9,409**	**$165,347**
REVENUE FROM LOCAL AGENCIES:						
4131000-Crimes of Public Offense Fines	$65	$ --	$58	$ --	$58	$ --
4133500-Fish and Game Fines - Penalty Assessments	--	68	--	--	--	--
4134500-Local Agencies - Cost Recoveries	15,000	22,667	15,000	24,561	15,000	26,614
4135000-Local Agencies - Miscellaneous Revenue	109,862	1	106,736	1	106,736	1
4135500-Narcotic Fines	461	--	1,000	--	1,000	--
Total, REVENUE FROM LOCAL AGENCIES	**$125,388**	**$22,736**	**$122,794**	**$24,562**	**$122,794**	**$26,615**
SERVICES TO THE PUBLIC:						
4140000-Document Sales	$84	$2,006	$146	$2,127	$146	$2,127
4142500-License Plate Fees - Personalized Plates	--	1	--	1	--	1
4143000-Medicare Receipts - Federal Government	2,256	--	4,700	--	4,700	--
4143500-Miscellaneous Services to the Public	972	91,588	1,023	93,210	1,017	94,861
4144500-Parking Lot Revenues	--	484	--	480	--	475
4145000-Pay Patients Board Charges	123	--	150	--	150	--
4145500-Secretary of State - Fees	207	--	68	--	176	--
Total, SERVICES TO THE PUBLIC	**$3,642**	**$94,079**	**$6,087**	**$95,818**	**$6,189**	**$97,464**
USE OF PROPERTY AND MONEY						
4151500-Miscellaneous Revenue - Use of Property and Money	$2,810	$130	$1,387	$426	$1,387	$426
4152000-Oil and Gas Leases - 1 Percent Revenue, Cities, and Counties	239	--	169	--	145	--
4152500-Rental of State Property	24,684	70,256	20,956	49,561	20,959	49,581
4155000-Royalties - State Lands	75,649	--	49,244	--	41,305	--
Total, USE OF PROPERTY AND MONEY	**$103,382**	**$70,386**	**$71,756**	**$49,987**	**$63,796**	**$50,007**
MISCELLANEOUS:						
4170100-Abandoned Property Revenue	$1,559,883	$ --	$1,671,550	$ --	$1,759,203	$ --
4170700-Civil and Criminal Violation Assessment	5,524	38	5,519	38	5,519	38
4170800-Confiscated Property Sales	7,323	--	9,406	--	9,406	--
4171000-Cost Recoveries - Delinquent Receivables	1	247	6	73	6	73
4171100-Cost Recoveries - Other	3,107,814	8,879	1,314,675	6,801	702,584	6,801
4171200-Court Filing Fees and Surcharges	455	--	--	--	--	--
4171400-Escheat - Unclaimed Checks, Warrants, Bonds, and Coupons	251,188	6,266	552,743	4,533	152,743	4,904
4171500-Escheat - Unclaimed Property	438	--	--	--	--	--
4172000-Fines and Forfeitures	2,369	--	2,527	--	2,527	--
4172400-Forest Product Sales	--	54,818	--	46,000	--	46,000
4172500-Miscellaneous Revenue	104,551	6,829	30,326	6,439	30,327	6,511
4172800-Parking Violations	13,354	--	14,217	--	14,217	--
4173000-Penalty Assessments - Other	61,143	7,746	28,318	2,600	28,318	2,600
4173200-Proceeds from Estates of Deceased Persons	2,035	--	2,035	--	2,035	--
4173500-Settlements and Judgments - Other	82,972	--	10,406	--	10,406	--
4173600-State Public Land Sales	--	13,864	--	28,561	--	28,561
4173800-Traffic Violations	--	10,545	--	10,511	--	10,477
4173900-Tribal Gaming Revenues	250	--	--	--	--	--
4174200-Uninsured Motorist Fees	426	163	506	159	506	155
4170400-Capital Asset Sales Proceeds	237	576	--	576	--	576
Total, MISCELLANEOUS	**$5,199,963**	**$109,971**	**$3,642,234**	**$106,291**	**$2,717,797**	**$106,696**
TOTAL, MINOR REVENUES	**$5,440,605**	**$438,925**	**$3,851,878**	**$425,444**	**$2,919,985**	**$446,129**
TOTALS, Non-Tax Revenues (MAJOR AND MINOR)	**$5,440,605**	**$7,726,588**	**$3,851,878**	**$7,787,510**	**$2,919,985**	**$8,018,793**

SCHEDULE 12D AT 2026-27 GOVERNOR'S BUDGET
STATE APPROPRIATIONS LIMIT
TRANSFER FROM OTHER FUNDS TO INCLUDED FUNDS
(Dollars in Thousands)

	Actual 2024-25		Estimated 2025-26		Estimated 2026-27	
	General Fund	Special Funds	General Fund	Special Funds	General Fund	Special Funds
Revenue Transfer from California Environmental License Plate Fund (0140) to Motor Vehicle Account, State Transportation Fund (0044) per Public Resources Code Section 21191	$ --	$1,057	$ --	$890	$ --	$890
Revenue Transfer from College Access Tax Credit Fund (3263) to the General Fund (0001) per Revenue and Taxation Code Sections 17053.86 (Ch. 367/2014) and 17053.87 (Ch. 527/2017)	794	--	794	--	794	--
Revenue Transfer from Data and Innovation Revolving Fund Transfer (9753) to General Fund (0001)	15,000	--	--	--	--	--
Revenue Transfer from Motor Vehicle Account, State Transportation Fund (0044) to General Fund (0001) per Government Code Section 16475	279	-279	157	-157	157	-157
Revenue Transfer from Motor Vehicle Fuel Account, Transportation Tax Fund (0061) to General Fund (0001) per Revenue and Taxation Code Section 8352.4(b)	37,442	-37,442	38,528	-38,528	39,904	-39,904
Revenue Transfer from Motor Vehicle Fuel Account, Transportation Tax Fund (0061) to General Fund (0001) per Revenue and Taxation Code Section 8352.5(b)	50,540	-50,540	52,396	-52,396	52,396	-52,396
Revenue Transfer from Motor Vehicle Fuel Account, Transportation Tax Fund (0061) to General Fund (0001) per Revenue and Taxation Code Section 8352.6(a)(2)	70,807	-70,807	72,556	-72,556	73,966	-73,966
Revenue Transfer from Motor Vehicle Fuel Account, Transportation Tax Fund (0061) to General Fund (0001) per Revenue and Taxation Code Section 8352.6(a)(3)	9,996	-9,996	9,996	-9,996	9,996	-9,996
Revenue Transfer from Site Operation and Maintenance Account, Hazardous Substance Account (0458) to Toxic Substances Control Account (0557) per Item 3960-011-0458, Annual Budget Act.	--	185	--	140	--	140
Revenue Transfer from Toxic Substances Control Account (0557) to Site Remediation Account (0018)	--	--	--	--	--	-40,200
Revenue Transfer from the Business Fees Fund (0228) to the General Fund (0001) per Government Code Section 12176.	21,388	--	4,289	--	8,852	--
Revenue Transfer from the California Olympic Training Account (0442) to the General Fund (0001) per Government Code Section 7592	30	--	30	--	30	--
Revenue Transfer from the General Fund (0001) to the Senior Citizens and Disabled Citizens Property Tax Postponement Fund (3268) per 2025 Budget Act	--	--	-3,000	--	--	--
Revenue Transfer from the General Fund (0001) to the Senior Citizens and Disabled Citizens Property Tax Postponement Fund (3268) per Government Code Section 16180(c)	-4,194	--	-4,194	--	-4,194	--
Revenue Transfer from the Greenhouse Gas Reduction Fund (3228) to the General Fund (0001) per Revenue and Taxation Code 6377.1	152,700	--	156,200	--	157,800	--
Revenue Transfer from the Greenhouse Gas Reduction Fund (3228) to the General Fund per Revenue and Taxation Code 6377.1	--	--	-1,110	--	700	--
Revenue transfer from the Strong-Motion Instrumentation and Seismic Hazards Mapping Fund (0338) to the General Fund (0001) per pending legislation	118	--	--	--	--	--
TOTAL TRANSFERS	**$ 354,900**	**-$ 167,822**	**$ 326,642**	**-$ 172,603**	**$ 340,401**	**-$ 215,589**

SCHEDULE 12E AT 2026-27 GOVERNOR'S BUDGET
STATE APPROPRIATIONS LIMIT
EXCLUDED APPROPRIATIONS
(Dollars in Millions)

	Fund	Actual 2024-25	Estimated 2025-26	Estimated 2026-27
DEBT SERVICE:				
9600 Bond Interest and Redemption				
(9600-510-0001)	General	$5,242	$5,333	$6,325
(9600-510-3107)	Special	1,387	1,433	1,456
No Place Like Home bond				
(0977-501-3357)	Special	139	140	140
TOTAL -- DEBT SERVICE		$6,768	$6,906	$7,921
QUALIFIED CAPITAL OUTLAY PROJECTS:				
Various (Ch. 3 Except DOT)	General	$539	$811	$310
Various (Ch. 3 Except DOT)	Special	4	--	--
Various Qualified Capital Outlay Projects	General	3,114	4,457	2,350
Various Qualified Capital Outlay Projects	Special	1,101	1,112	1,206
Lease-Revenue Bonds (Capital Outlay)	General	554	602	780
Lease-Revenue Bonds (Capital Outlay)	Special	13	13	13
TOTAL -- CAPITAL OUTLAY		$5,325	$6,995	$4,659
SUBVENTIONS:				
6100 TK-12 / LCFF Apportionments	General	$43,564	$40,097	$45,899
6100 TK-12 Education Protection Account	General	13,166	13,834	13,453
6100 County Offices of Education Apportionments	General	751	754	726
6100 Subventions Not Counted in Local Limits	General	-20,241	-19,661	-20,275
6870 Community Colleges Apportionments	General	4,220	3,314	3,474
6870 Community Colleges Education Protection Account	General	1,627	1,710	1,663
SUBVENTIONS -- EDUCATION		$43,087	$40,048	$44,940
5195 1991 State-Local Realignment				
Vehicle License Collection Account	Special	$14	$14	$14
Vehicle License Fees	Special	2,672	2,784	2,873
Sales Tax	Special	4,753	4,873	4,971
5196 2011 State-Local Realignment				
Vehicle License Fees	Special	891	918	934
Sales Tax	Special	9,415	9,743	9,936
9100 Tax Relief (9100-101-0001)	General	378	410	400
9210 Criminal Justice Fee Backfill	General	65	65	--
9210 Criminal Justice Fee Backfill (AB 177)	General	50	50	50
9210 Property Tax Backfill (9210-102-0001)	General	--	122	--
9210 Insufficient ERAF Backfills (9210-110-0001)	General	74	79	--
SUBVENTIONS -- OTHER		$18,312	$19,058	$19,178
Various Subventions	General	$6,479	$5,270	$5,178
Various Subventions	Special	2,048	3,721	3,756
Subventions Not Counted in Local Limits	General	-32	--	--
SUBVENTIONS -- GC Sec. 7903(b)		$8,495	$8,991	$8,934
COURT AND FEDERAL MANDATES:				
Various Court and Federal Mandates (HHS)	General	$19,004	$22,846	$23,917
Various Court and Federal Mandates (HHS)	Special	5,283	5,268	3,208
Various Court and Federal Mandates	General	5,697	5,865	5,984
Various Court and Federal Mandates	Special	298	301	307
TOTAL -- MANDATES		$30,282	$34,280	$33,416
SCA2/SB1				
Retail Sales and Use Tax: Diesel	Special	$409	$386	$367
TOTAL -- SCA2/SB1		$409	$386	$367
PROPOSITION 111:				
Motor Vehicle Fuel Tax: Gasoline	Special	$6,717	$6,911	$7,089
Motor Vehicle Fuel Tax: Diesel	Special	1,226	1,251	1,283
TOTAL -- PROPOSITION 111		$7,943	$8,162	$8,372
TOTAL EXCLUSIONS:		**$120,621**	**$124,826**	**$127,787**
General Fund		*$84,251*	*$85,958*	*$90,234*
Special Funds		*$36,370*	*$38,868*	*$37,553*

SCHEDULE 13 AT 2026-27 GOVERNOR'S BUDGET
PROPOSITION 98 FINAL CERTIFICATION
(Dollars in Thousands)

		2024-25
State Appropriations Limit General Fund Revenues		$213,420,246
Proposition 98 General Fund		$91,196,605
Education Protection Account		(14,792,851)
Local Revenues		$32,636,458
Total State and Local Prop 98		$123,833,063
Prop 98 Test		1
Appropriations over/(under) the Prop 98 Guarantee		0
Proposition 98 Factors		
K-14 Appropriations		$123,833,063
K-12 Average Daily Attendance		5,432,158
Full-time Equivalent Students		1,096,150
Civilian Population		39,198,108
K-12 Average Daily Attendance (% growth)		-0.36%
Per Capita Personal Income (Test 2)(% growth)		3.62
Per Capita General Fund plus 0.5% (Test 3)(% growth)		11.40
Test 1 Percentage		39.09%
Spike Protection*		N/A
Proposition 98 Obligations		
Maintenance Factor Paid (-)		$7,768,497
Maintenance Factor Created (+)		$0
Proposition 98 Re-benchings (included in calculation):		
	One-Time:	$960,719
	Ongoing:	$1,308,555

Finance Glossary of Accounting and Budgeting Terms

The following terms are used frequently throughout the Governor's Budget, the Governor's Budget Summary, the annual Budget (Appropriations) Bill, the Enacted Budget, and other documents. Definitions are provided for terms that are common to many of these publications. For definitions of terms unique to a specific program area, please refer to the individual budget presentation. Certain terms may be interpreted or used differently depending on the context, the audience, or the purpose.

Abatement
A reduction to an expenditure that has already been made. In state accounting, only specific types of receipts are accounted for as abatements, including refund of overpayment of salaries, rebates from suppliers or third parties for defective or returned merchandise, jury duty and witness fees, and property damage or loss recoveries. (See *SAM 8288, 8366* for more detail.)

Abolishment of Fund
The closure of a fund pursuant to the statutory enactment or operation of law. Funds may also be administratively abolished by the Department of Finance with the concurrence of the State Controller's Office. When a special fund is abolished, all of its assets, liabilities, and surplus are transferred by the State Controller's Office to a successor fund, or if no successor fund is specified, then to the General Fund. *(GC 13306, 16346; SAM 7455.)*

Account
A classification code used in FI$Cal to identify an asset, liability, fund balance, receipt, expenditure, transfer, or statistical measurement in a transaction. Accounts merge several legacy codes in the Uniform Codes Manual such as the general ledger code, receipt and object of expenditure codes into a single account code. (See also "Chart of Accounts Crosswalk" and "Uniform Codes Manual.") *(SAM 7600 et seq.)*

Accruals
Revenues or expenditures that have been recognized for that fiscal year but not received or disbursed until a subsequent fiscal year. Annually, accruals are included in the revenue and expenditure amounts reported in departments' budget documents and year-end financial reports. For budgetary purposes, departments' expenditure accruals also include payables and outstanding encumbrances at the end of the fiscal year for obligations attributable to that fiscal year.

Accrual Basis of Accounting
The basis of accounting in which transactions are recognized in the fiscal year when they occur, regardless of when cash is received or disbursed. Revenue is recognized in the fiscal year when earned, and expenses are recognized in the fiscal year when incurred, generally when goods/services are received or when contracts are performed. Also referred to as the full accrual basis of accounting. *(SAM 7440.)*

Administration
Refers to the Governor's Office and those individuals, departments, and offices reporting to it (e.g., the Department of Finance).

Administration Program Costs
The indirect costs of a program, typically a share of the costs of the administrative units serving the entire department (e.g., the Director's Office, Legal, Personnel, Accounting, and Business Services). "Distributed Administration" costs represent the distribution of the indirect costs to the various program activities of a department. In most departments, all administrative costs are distributed. (See also “Indirect Costs” and “Statewide Cost Allocation Plan.”)

Administratively Established Positions
Positions authorized by the Department of Finance during a fiscal year that were not included in the Budget. Such positions terminate at the end of the fiscal year, or in order to continue, must meet certain criteria under Budget Act Control Section 31.00. *(CS 31.00.)*

Agency
A legal or an official reference to a government organization at any level in the state organizational hierarchy. (See the *UCM—Organization Codes.)*

or:

A government organization belonging to the highest level of the state organizational hierarchy as defined in the UCM. An organization whose head (Agency Secretary) is designated by Governor's order as a cabinet member.

Allocation
A distribution of funds or costs from one account or appropriation to one or more accounts or appropriations (e.g., the allocation of employee compensation funding from the statewide 9800 Budget Act items to departmental appropriation items). *(SAM 9200 et seq.)*

Allotment
The approved division of an amount (usually of an appropriation) to be expended for a particular purpose during a specified time period. An allotment is generally authorized on a line item expenditure basis by program or organization.

Amendment
A proposed or accepted change to a bill in the Legislature, the California Constitution, statutes enacted by the Legislature, or ballot initiative.

A-Pages
A common reference to the Governor's Budget Summary. Budget highlights now contained in the Governor's Budget Summary were once contained in front of the Governor's Budget on pages A-1, 2, etc., and were, therefore, called the A-Pages.

Appropriated Revenue
Revenue which, as it is earned, is reserved and appropriated for a specific purpose. An example is student fees received by state colleges that are, by law, appropriated for the support of the colleges. The revenue does not become available for expenditure until it is earned.

Appropriation
Authorization for a specific agency to make expenditures or create obligations from a specific fund for a specific purpose. Appropriations are usually limited in amount and period of time during which the expenditure is to be recognized. For example, appropriations made by the Budget Act are available for encumbrance for one year, unless otherwise specified. Appropriations made by other legislation are available for encumbrance for three years, unless otherwise specified, and appropriations stating "without regard to fiscal year" shall be available from year-to-year until fully expended. Legislation or the California Constitution can provide continuous appropriations, and voters can also make appropriations by approving ballot measures. An appropriation shall be available for encumbrance during the period specified therein, or if not specified, for a period of three years after the date upon which it first became available for encumbrance. Except for federal funds, liquidation of encumbrances must be within two years of the expiration date of the period of availability for encumbrance, at which time the undisbursed (i.e., unliquidated) balance of the appropriation is reverted into the fund. Federal funds have four years to liquidate. *(GC 16304, 16304.1; SAM 8320, 8325, 8326.)*

Appropriation Without Regard to Fiscal Year (AWRTFY)
An appropriation for a specified amount that is available from year-to-year until fully expended. *(GC 16304; SAM 8325.)*

Appropriations Limit, State (SAL)
The constitutional limit on the growth of certain appropriations from tax proceeds, generally set to the level of the prior year's appropriation limit as adjusted for changes in cost of living and population. Other adjustments may be made for such reasons as the transfer of services from one government entity to another. *(Article XIII B, § 8; GC 7900 et seq.; CS 12.00.)*

Appropriation Schedule
The detail of an appropriation (e.g., in the Budget Act), showing the distribution of the appropriation to each of the programs or projects thereof.

Assembly
California's lower house of the Legislature composed of 80 members. As a result of Proposition 140 (passed in 1990) and Proposition 28 (passed in 2012), members elected in or after 2012 may serve 12 years in the Legislature in any combination of four-year state Senate or two-year state Assembly terms. *(Article IV, § 2 (a).)*

Audit
Typically a review of financial reports or performance activity (such as of an agency or program) to determine conformity or compliance with applicable laws, regulations, and/or standards. The state has three central organizations that perform audits of state agencies: the State Controller's Office, the Department of Finance, and the California State Auditor. Many state departments also have internal audit units to review their own internal functions and program activities. *(SAM 20000 et seq.)*

Augmentation
An increase to a previously authorized appropriation or allotment. This increase can be authorized by Budget Act provisional language, control sections, or other legislation. Usually, a Budget Revision or an Executive Order is processed to the State Controller's Office to implement the increase. *(SAM 8326.)*

Authorized
Given the force of law (e.g., by statute). For some action or quantity to be authorized, it must be possible to identify the enabling source and date of authorization.

Authorized Positions
In the Salaries and Wages publication, the past year total authorized positions represent the number of actual positions filled for that year as reported by the State Controller's Office. For current year, total authorized positions include all regular ongoing positions approved in the Budget Act for that year, adjustments to limited-term positions and temporary help, and positions authorized through enacted legislation. For budget year, the number of authorized positions is the same as current year except for adjustments to remove expiring positions. *(GC 19818.)*

Availability Period
The time period during which an appropriation may be encumbered (i.e., committed for expenditure), usually specified by the law creating the appropriation. If no specific time is provided in legislation, the period of availability is three years. Unless otherwise provided, Budget Act appropriations are available for one year. However, based on project phase, capital outlay projects may have up to three years to encumber. An appropriation with the term "without regard to fiscal year" has an unlimited period of availability and may be encumbered at any time until the funding is exhausted. (See also "Encumbrance.") *(SAM 8325.)*

Balance Available
In regard to a fund, it is the excess of resources over uses. For budgeting purposes, the balance available in a fund condition is the carry-in balance, net of any prior year adjustments, plus revenues and transfers, minus expenditures. For accounting purposes, the balance available in a fund is the net of assets over liabilities and reserves that are available for expenditure.

For appropriations, it is the unobligated, or unencumbered balance still available.

Baseline Budget
Also referred to as Workload Budget. (See "Workload Budget.")

Bill
A draft of a proposed law presented to the Legislature for enactment. (A bill has greater legal formality and standing than a resolution.)

Bond Funds
For legal basis budgeting purposes, funds used to account for the receipt and disbursement of non-self-liquidating general obligation bond proceeds. These funds do not account for the debt retirement because the liability created by the sale of bonds is not a liability of bond funds. Depending on the provisions of the bond act, either the General Fund or a sinking fund pays the principal and interest on the general obligation bonds. The proceeds and debt of bonds related to self-liquidating bonds are included in non-governmental cost funds. *(SAM 14400.)*

Budget
A plan of operation expressed in terms of financial or other resource requirements for a specific period of time. *(GC 13320, 13335; SAM 6120.)*

Budget Act (BA)
An annual statute authorizing state departments to expend appropriated funds for the purposes stated in the Governor's Budget and amended by the Legislature. *(SAM 6333.)*

Budget Bill
Legislation presenting the Governor's spending proposal for the next fiscal year. The Budget Bill is prepared by the Department of Finance and submitted to each house of the Legislature in January (accompanying the Governor's Budget). The Budget Bill's authors are typically the budget committee chairpersons.

The California Constitution requires the Legislature to pass the Budget Bill and send it to the Governor for signature by midnight on June 15 each year. The Budget Bill becomes the Budget Act upon signature by the Governor, after any line-item vetoes. *(Article IV, § 12(c); GC 13338; SAM 6325, 6333.)*

Budget Change Proposal (BCP)
A proposal to change the level of service or funding sources for activities authorized by the Legislature, propose new program activities not currently authorized, or to eliminate existing programs. The Department of Finance annually issues a Budget Letter with specific instructions for preparing BCPs. *(SAM 6120.)*

Budget Cycle
The period of time required to prepare the state financial plan and enact that portion of it applying to the budget year. Significant events in the cycle include:

- Preparation of the Governor's proposed budget (most activities occur between July 1 and January 10).
- Submission of the Governor's Budget and the Budget Bill to the Legislature (by January 10).
- Submission to the Legislature of proposed adjustments to the Governor's Budget:
    - April 1—adjustments other than Capital Outlay and May Revision.
    - May 1—Capital Outlay appropriation adjustments.
    - May 14—May Revision adjustments for changes in General Fund revenues, expenditure adjustments to reflect updated revenue, and funding for Proposition 98, caseload, and population.
- Review and revision of the Governor's Budget by the Legislature.
- Return of the revised budget to the Governor by June 15, for signature after any line-item vetoes.
- Signing of the budget by the Governor.

(Article IV, § 10; GC 13308; SAM 6150.)

Budget Letter
Budget and accounting policies and instructions issued by the Department of Finance to supplement the budgeting and accounting chapters of the State Administrative Manual.

Budget Period
The FI$Cal (PeopleSoft) terminology for Fiscal Year. (See also "Fiscal Year.")

Budget—Program
A program budget expresses the operating plan in terms of the costs of activities (programs) to be undertaken to achieve specific goals and objectives. The Governor's Budget is a

program budget, but also includes detailed categorization of proposed expenditures for goods and services (Expenditures by Category) related to the state operations of each department. *(GC 13335, 13336; SAM 6210, 6220.)*

Budget Request
A term used in the FI$Cal (Hyperion) system reflecting any change to the currently enacted budget or proposed budget. This may be a Budget Change Proposal, revenue estimate change, or legislative action. A budget request is a way for each department to submit incremental requests for, or to make adjustments to, funding.

Budget Revision (BR)
A document prepared by the department that cites a legal authority to authorize a change in an appropriation. A BR must be approved by the Department of Finance. Typically, BRs either increase the appropriation or make adjustments to the categories or programs within the appropriation as scheduled. *(SAM 6533, 6542, 6545.)*

Budget Year (BY)
The next state fiscal year, beginning July 1 and ending June 30, for which the Governor's Budget is submitted (i.e., the year following the current fiscal year). (See also "Fiscal Year.")

Business Unit
The four-digit code assigned to each state governmental entity (or a program) for fiscal system purposes. The business unit is the first segment of the budget item/appropriation number. *(UCM—Organization Codes.)*

Capital Outlay (CO)
A character representing expenditures of funds to acquire land, plan and construct new buildings, expand or modify existing buildings, and/or purchase equipment related to such construction. *(CS 3.00.)*

Carryover
The unencumbered balance of an appropriation that continues to be available for expenditure in years subsequent to the year of enactment. For example, if an appropriation has multiple years available to encumber, any unencumbered balance at the end of the first year is carried over to the following fiscal year.

Cash Basis of Accounting
The basis of accounting that records transactions at the time cash is received or disbursed. *(SAM 7440.)*

Cash Flow Statement
A statement of cash receipts and disbursements for a specified period of time.

Category (as used in FI$Cal/Hyperion)
A grouping of related types of expenditures, such as personal services, operating expenses and equipment, special items of expense, unclassified, local costs, capital costs, and internal cost recovery; or revenues (including revenue transfers). The Governor's Budget includes an "Expenditures by Category" section for each department at this level. *(UCM—Account Codes.)*

Changes in Authorized Positions
A schedule in the Governor's Budget that reflects staffing changes made subsequent to the adoption of the current year budget and enacted legislation. This schedule documents changes in positions for various reasons. Some examples are: actual expenditures in the past year, as well as transfers, positions established, selected re-classifications, and proposed new positions included in BCPs, for the current or budget year.

Chapter
The reference assigned by the Secretary of State to an enacted bill, numbered sequentially in order of enactment each calendar year. The enacted bill is then referred to by this "chapter" number and the year in which it became law. For example, *Chapter 1, Statutes of 2017,* would refer to the first bill enacted in 2017.

Character of Expenditures
A classification identifying the major purpose of an expenditure, such as state operations, local assistance, capital outlay, or unclassified. *(UCM—Fund Source/Appropriation Coding.)*

Chart of Accounts (COA) Crosswalk
A detailed guide found on the Department of Finance's website that crosswalks the Account/Category Code to the legacy general ledger, receipts, and object of expenditures codes in the Uniform Codes Manual. (See also "Account" and "Uniform Codes Manual.")

Claim Schedule
A manual request from a state department to the State Controller's Office to disburse payment from a legal appropriation or account for a lawful state obligation. The claim schedule identifies the appropriation or account to be charged, the payee(s), the amount(s) to be paid, and an affidavit attesting to the validity of the request. Claims against the state for which there is no provision for payment (e.g., no appropriation available for payment) will be submitted to the Department of General Services. (See also "Voucher.") *(SAM 7340, 8422.12, 8422.20.)*

Capital Outlay Budget Change Proposal (COBCP)
Capital outlay budgets are zero-based each year; therefore, the department must submit a written capital outlay budget change proposal for each new project, or subsequent phase of an existing project, for which the department requests funding. *(SAM 6808.)*

Conference Committee
A committee of three members (approximately two-thirds from the majority party, and one-third from the minority party) from each house, appointed to meet and resolve differences between versions of a bill (e.g., when one house of the Legislature does not concur with bill amendments made by the other house). If resolution cannot be reached, another conference committee can be selected, but no more than three different conference committees can be appointed on any one bill. Budget staff commonly refer to the conference committee on the annual budget bill as the "Conference Committee." *(SAM 6340.)*

Continuing Appropriation
An appropriation for a set amount that is available for more than one year. *(SAM 8326.)*

Continuous Appropriation
Constitutional or statutory expenditure authorization that is renewed each year without further legislative action. The amount available may be a specific, recurring sum each year; all or a specified portion of the proceeds of specified revenues that have been dedicated permanently to a certain purpose; or, whatever amount is designated for the purpose as determined by formula, e.g., school apportionments. Note: Government Code section 13340 sunsets statutory continuous appropriations on June 30, with exceptions specified in the section and other statutes. Control Section 30.00 of the annual Budget Act traditionally extends the continuous appropriations for one additional fiscal year. *(GC 13340; SAM 8326.)*

Control Sections
Sections of the Budget Act (i.e., 1.00 to the end) providing specific controls on the appropriations itemized in Section 2.00 of the Budget Act. (See more detail under "Sections.")

Cost-of-Living Adjustments (COLA)
Increases provided in state-funded programs that include periodic adjustments predetermined in state law (statutory, such as K-12 education apportionments), or established at optional levels (discretionary) by the Administration and the Legislature each year through the budget process.

Current Year (CY)
A term used in budgeting and accounting to designate the operations of the present fiscal year in contrast to past or future periods. (See also "Fiscal Year.")

Debt Service
The amount of money required to pay interest on outstanding bonds and the principal of maturing bonds.

Department
A governmental organization, usually belonging to the third-level of the state organizational hierarchy, as defined in the Uniform Codes Manual. *(UCM—Organization Codes.)*

Department of Finance
The Department is a fiscal control agency. The Director of Finance is appointed by the Governor and serves as the chief fiscal policy advisor. The Director sits as a member of the Governor's cabinet and senior staff. *(GC 13000 et seq.; SAM 7310.)*

Principal functions are as follows:

- Establish appropriate fiscal and accounting policies to carry out the state's programs.
- Prepare, explain, and administer the state's annual financial plan (budget), which the Governor is required under the State Constitution to present to the Legislature by January 10 of each year.
- Analyze legislation that has a fiscal impact.
- Provide fiscal and accounting training, advice, and consulting services to state departments.
- Monitor/audit expenditures by state departments to ensure compliance with law, approved standards, and policies.
- Develop economic forecasts and revenue estimates.
- Develop population and enrollment estimates and projections.
- Review expenditures for information technology activities of departments.

Detailed Budget Adjustments
Department Detailed Budget Adjustments are included in departmental budget displays to provide the reader a snapshot of proposed expenditure and position adjustments, why those changes are being proposed, and their dollar and position impact.

Detail of Appropriations and Adjustments
A budget display for each organization that reflects appropriations and adjustments by fund source for each character of expenditure (i.e., state operations, local assistance, and capital outlay). *(SAM 6478.)*

Employee Compensation/Retirement
Salary, benefit, employer retirement rate contribution adjustments, and any other related statewide compensation adjustments for state employees. Various 9800 Items of the Budget Act appropriate funds for compensation increases for most state employees (excluding Higher Education and some others); that is, they appropriate the incremental adjustment proposed for the salary and benefit adjustments for the budget year. The base salary and benefit levels are included in individual agency/departmental budgets.

Enacted Budget
A publication produced by Finance to reflect budget details as enacted. It is similar in detail as the Governor's Budget. A PDF of this publication is available on Finance's eBudget website.

Enactment Year (ENY)
Refers to the first fiscal year of enactment or availability, whichever is later.

Encumbrance
The commitment of all or part of an appropriation. Encumbrances represent valid obligations related to unfilled purchase orders or unfulfilled contracts. Outstanding encumbrances are recognized as budgetary expenditures in the individual department's budget documents and their individual annual financial reports. For the General Fund budgetary purposes, the Department of Finance makes a statewide adjustment to remove the total outstanding encumbrances from overall General Fund expenditures and show the amount as a reserve in the fund balance, in accordance with Government Code section 13307. For other funds, such encumbrance adjustments are not made in the budget totals, and encumbrances are treated as budgetary expenditures that decrease the fund balance of these funds. *(SAM 8340.)*

Enrolled Bill Report (EBR)
An analysis prepared by the Department of Finance on legislative measures passed by both houses and referred to the Governor, to provide the Governor's Office with information concerning the measure, with a recommendation for action by the Governor. While approved bill analyses become public information, EBRs do not. Note that EBRs are not prepared for Constitutional Amendments, or for Concurrent, Joint, or single house resolutions, because these are not acted upon by the Governor. *(SAM 6965.)*

Enrollment, Caseload, and Population Adjustments
These adjustments are generally formula or population driven and are components of the workload budget. (See "Workload Budget.")

Executive Branch
One of the three branches of state government, responsible for implementing and administering the state's laws and programs. The Governor's Office and those individuals, departments, and offices reporting to it (the Administration) are part of the Executive Branch.

Executive Order (EO)
A budget document issued by the Department of Finance ordering the State Controller's Office to make an adjustment in their accounts. The adjustments are typically authorized by Budget Act provisional language, Budget Act control sections, and other statutes. An EO is used when the adjustment makes increases or decreases on a state-wide basis, involves two or more appropriations, or makes certain transfers or loans between funds.

Exempt Employees
State employees exempt from civil service pursuant to subdivision (e), (f), or (g), of Section 4 of Article VII of the California Constitution (e.g., department directors and other gubernatorial appointees). *(SAM 0400.)*

Expenditure
Expenditures reported on a department's year-end financial reports and past year budget documents consist of amounts paid and accruals (including outstanding encumbrances and payables) for obligations created for the last fiscal year. Current year and budget year expenditures in budget documents are estimates for the respective fiscal year.
(See "Encumbrance," also referred to as "budgetary expenditures.") *(SAM 8360.)*

Expenditure Authority
The authorization to make an expenditure (usually by a budget act appropriation, provisional language, or other legislation).

Expenditures by Category
A budget display for each department that reflects actual past year, estimated current year, and proposed budget year expenditures presented by character of expenditure (e.g., state operations and/or local assistance) and category of expenditure (e.g., personal services, operating expenses and equipment). *(SAM 6475.)*

3-Year Expenditures and Positions
A display at the start of each departmental budget that presents the various departmental programs by title, dollar totals, positions, and source of funds for the past, current, and budget years.

Federal Fiscal Year
The accounting period of the federal government, which begins on October 1 and ends the following September 30. For example, a reference to federal fiscal year 2020 means the period beginning October 1, 2019, and ending September 30, 2020.

Federal Funds
For legal basis budgeting purposes, classification of funds into which money received in trust from an agency of the federal government will be deposited and expended by a state department in accordance with state and/or federal rules and regulations. State departments must deposit federal grant funds in the Federal Trust Fund or other appropriate federal fund in the State Treasury. *(GC 13326 [Finance approval], 13338 [approp. of FF], CS 8.50, SAM 17105.)*

Feeder Funds
For legal basis accounting purposes, funds into which certain taxes or fees are deposited upon collection. In some cases, administrative costs, collection expenses, and refunds are paid. The balance of these funds is transferable at any time by the State Controller's Office to the receiving fund, in most cases, the General Fund.

Final Budget
Generally refers to the Governor's Budget as amended by actions taken on the Budget Bill (e.g., legislative changes, Governor's vetoes). Note: subsequent legislation (law enacted after the Budget Bill is chaptered) may add, delete, or change appropriations, or require other actions that affect a budget appropriation.

Final Budget Summary
A document produced by the Department of Finance after enactment of the Budget Act, which reflects the Budget Act, any vetoes to language and/or appropriations, technical corrections to the Budget Act, and summary budget information. (See also "Budget Act" and "Final Change Book.") *(SAM 6130, 6350.)*

Final Change Book Report
A document produced by the Department of Finance after enactment of the Budget Act. It includes detailed fiscal information on the changes made to the budget bill that accompanies the Governor's Budget as submitted to the legislature on or before January 10 of each year. It contains a detailed list of changes in Budget Act items, non-Budget Act items, and control sections for state operations, local assistance, capital outlay, and unclassified items. *(SAM 6355.)*

Finance Letter (FL)
Proposals made by the Director of Finance to the chairpersons of the budget committees in each house to amend the Budget Bill and the Governor's Budget from that submitted on January 10 to reflect a revised plan of expenditure for the budget year and/or current year. Specifically, the Department of Finance is required to provide the Legislature with updated expenditure and revenue information for all policy adjustments by April 1, capital outlay technical changes by May 1, and changes for enrollment, caseload, population, updated revenues, and Proposition 98 by May 14. *(GC 13308.)*

FI$Cal
The acronym for the Financial Information System for California, the state's integrated financial and administrative IT system that supports accounting, budgeting, cash management, and procurement functions. (SAM 7260.)

Fiscal Committees
Committees of members in each house of the Legislature that review the fiscal impact of proposed legislation, including the Budget Bill. Currently, the fiscal committees include the Senate Budget and Fiscal Review Committee, the Senate Appropriations Committee, the Assembly Appropriations Committee, and the Assembly Budget Committee. The Senate Budget and Fiscal Review Committee and the Assembly Budget Committee are broken into subcommittees responsible for specific state departments and/or subject areas. Both houses also have Revenue and Taxation Committees that are often considered fiscal committees.

Fiscal Impact Analysis
Typically refers to a section of an analysis (e.g., bill analysis) that identifies the costs and revenue impact of a proposal, and to the extent possible, a specific numeric estimate for applicable fiscal years.

Fiscal Year (FY)
A 12-month period during which revenue is earned and received, obligations are incurred, encumbrances are made, appropriations are expended, and for which other fiscal transactions are recognized. In California state government, the fiscal year begins July 1 and ends the following June 30. If reference is made to the state's FY 2020-21, this is the time period beginning July 1, 2020 and ending June 30, 2021. *(GC 13290.)*

Floor
The Assembly or Senate chambers, the term used to describe the location of a bill, or the type of session. Matters may be referred to as "on the floor."

Form 9
A request by a department for space planning services (e.g., new or additional space, lease extensions, or renewals desired by an agency in non-institutional buildings, whether state-owned or state-leased, relocatable buildings, and trailers) and also reviewed by the Department of Finance. *(SAM 6453.)*

Form 22
A department's request to transfer money to the Architecture Revolving Fund (e.g., for building improvements), reviewed by the Department of Finance. *(GC 14957; SAM 1321.1.)*

Fund
A legal budgeting and accounting entity that segregates moneies or other resources in the State Treasury for obligations, subject to specific restrictions or limitations. A separate self-balancing set of accounts must be maintained for each fund to show its assets, liabilities, reserves, and balance, as well as its revenue and expenditures. *(SAM 7400.)*

Fund Balance
For accounting purposes, the excess of a fund's assets over its liabilities. For budgeting purposes, the excess of a fund's resources over its expenditures.

Fund Condition Statement
A budget display, included in the Governor's Budget, summarizing the operations of a fund for the past, current, and budget years. The display includes the beginning balance, prior year adjustments, revenue, transfers, loans, expenditures, the ending balance, and any reserves. Fund Condition Statements are required for all special funds. The Fund Condition Statement for the General Fund is Summary Schedule 1. Other funds are displayed at the discretion of the Department of Finance. *(SAM 6481.)*

General Fund (GF)
For legal basis accounting and budgeting purposes, the predominant fund for financing state government programs, used to account for revenues that are not specifically designated to be accounted for by any other fund. The primary sources of revenue for the General Fund are personal income tax, sales and use tax, and corporation taxes. The major uses of the General Fund are education (K-12 and higher education), health and human services programs, and correctional programs. *(SAM 7410.)*

Generally Accepted Accounting Principles (GAAP)
The accounting principles, rules, conventions, and procedures that are used for accounting and financial reporting. GAAP for governments are set by the Governmental Accounting Standards Board (GASB), the accounting and financial reporting standards setting body for state and local governments.

Governmental Cost Funds
For legal basis accounting and budgeting purposes, funds that derive revenue from taxes, licenses, and/or fees. *(SAM 7410.)*

Governor's Budget
The publication the Governor presents to the Legislature by January 10 each year. It contains recommendations and estimates for the state's financial operations for the budget year. It also displays the actual revenues and expenditures of the state for the prior fiscal year, and updates estimates for the current year revenues and expenditures. This publication is also produced in a web format known as the Governor's Proposed Budget Detail on the Department of Finance's website. *(Article IV, § 12; SAM 6120, et seq.)*

Governor's Budget Summary
A companion publication to the Governor's Budget that outlines the Governor's policies, goals, and objectives for the budget year. It provides a perspective on significant fiscal and/or structural proposals. This publication is also produced in a web format known as the Governor's Proposed Budget Summary on the Department of Finance's website.

Grants
Typically used to describe amounts of money received by an organization for a specific purpose but with no obligation to repay (in contrast to a loan, although the award may stipulate repayment of funds under certain circumstances). For example, the state receives some federal grants for the implementation of health and community development programs, and the state also awards various grants to local governments, private organizations, and individuals according to criteria applicable to a given program.

Indirect Costs
A cost that cannot be easily identified to a specific cost objective (e.g., program, organizational unit, project), but it is used for a common or joint purpose. Indirect costs benefit more than one cost objective and, therefore, must be allocated. *(SAM 9211, 9213, 9213.1.)*

Initiative
The power of the electors to propose statutes or Constitutional amendments and to adopt or reject them. An initiative must be limited to a single subject and be filed with the Secretary of State with the appropriate number of voter signatures in order to be placed on the ballot. *(Article II, § 8.)*

Item
A coding scheme or structure for an appropriation reflecting the respective business unit, reference number, and fund (if applicable). (See "Appropriation.")

Judgments
Usually refers to decisions made by courts against the state. Payment of judgments is subject to a variety of controls and procedures.

Language Sheets
Copies of the current Budget Act appropriation items provided to the Department of Finance and departmental staff each fall to update for the proposed Governor's Budget. These updated language sheets become the proposed Budget Bill. In the spring, language sheets for the Budget Bill are updated to reflect revisions to the proposed appropriation amounts, Item schedule(s) and provisions, and become the Budget Act.

Legislative Analyst's Office (LAO)
A nonpartisan organization that provides advice to the Legislature on fiscal and policy matters. For example, the LAO annually publishes a detailed analysis of the Governor's Budget, which becomes the initial basis for legislative hearings on the Budget Bill. *(SAM 7360.)*

Legislative Counsel Bureau
A staff of attorneys who draft legislation (bills) and proposed amendments, and review, analyze, and render opinions on legal matters for the legislative members.

Legislative Counsel's Digest
A summary of what a legislative measure does, contrasting existing law and the proposed change. This summary appears on the first page of a bill.

Legislature, California
A two-house body of elected representatives vested with the responsibility and power to make laws affecting the state (except as limited by the veto power of the Governor). (See also "Assembly" and "Senate.") *(SAM 6900.)*

Local Assistance (LA)
The character of expenditures made for the support of local government or other locally administered activities.

Major Regulation
Any proposed rulemaking action adopting, amending, or repealing a regulation subject to review by the Office of Administrative Law (OAL) that will have an economic impact on California business enterprises and individuals in an amount exceeding 50 million dollars in any 12-month period between the date the major regulation is estimated to be filed with the Secretary of State through 12 months after the major regulation is estimated to be fully implemented (as estimated by the agency), computed without regard to any offsetting benefits or costs that might result directly or indirectly from that adoption, amendment, or repeal. An agency proposing a major regulation must submit a Standardized Regulatory Impact Assessment to the Department of Finance for review, and the agency must include Finance's comments and the agency's response when transmitting the proposed major regulation to the OAL. *(GC sections 11346-11348 of Article 5, Chapter 3.5, Part 1, Division 3, Title 2; SAM 6600-6616; California Code of Regulations, Title 1, Sections 2000-2004.)*

Mandates
See "State-Mandated Local Program."

May Revision
An annual update to the Governor's Budget containing a revised estimate of General Fund revenues for the current and ensuing fiscal years, any proposals to adjust expenditures to reflect updated revenue estimates, and all proposed adjustments to Proposition 98,

presented by the Department of Finance to the Legislature by May 14 of each year. (See also "Finance Letter.") (*SAM 6130; GC 13308.)*

Merit Salary Adjustment (MSA)
A cost factor resulting from the periodic increase in salaries paid to personnel occupying authorized positions. Personnel generally receive a salary increase of five percent per year up to the upper salary limit of the classification, contingent upon the employing agency certifying that the employee's job performance meets the level of quality and quantity expected by the agency, considering the employee's experience in the position.

Merit salary adjustments for employees of the University of California and the California State University are determined in accordance with rules established by the regents and the trustees, respectively.

Funding typically is not provided for MSAs in the budget; given normal attrition rates, additional costs usually must be absorbed within existing resources. *(GC 19832.)*

Minor Capital Outlay
Any *capital project up to the amount adjusted pursuant to the State Contract Act—Project Cost Threshold Adjustments Budget Letter, which can be found on the Department of Finance's website. (SAM 6807.)*

Modified Accrual Basis
The basis of accounting in which revenues are recognized if the underlying transaction has occurred as of the last day of the fiscal year and the amount is measurable and available to finance expenditures of the current period (i.e., the actual collection will occur either during the current period, or soon enough after the end of the current period, to be used to pay current year-end liabilities). Expenditures are recognized when the obligations are created, except for amounts payable from future fiscal year appropriations. This basis is generally used for the General Fund and special funds. *(SAM 7440.)*

Non-Add
Refers to a numerical value that is displayed in parentheses for informational purposes, but is not included in computing totals, usually because the amounts are already accounted for in the budget system or display.

Non-Governmental Cost Funds
For legal basis purposes, a classification for funds used to budget and account for revenues derived from sources other than general and special taxes, licenses, and fees, or certain other state revenues. Generally, expenditures of these funds do not represent a cost of government. *(SAM 7410.)*

Obligations
Amounts that a governmental unit may legally be required to pay out of its resources. Budgetary authority must be available before obligations can be created. For budgetary purposes, obligations include payables for goods or services received, but not yet paid for, and outstanding encumbrances (i.e., commitments for goods and services not yet received nor paid for).

One-Time Cost
A proposed or actual expenditure that is non-recurring (usually only in one annual budget) and not permanently included in baseline expenditures. Departments make baseline adjustments to remove prior year one-time costs and appropriately reduce their expenditure authority in subsequent years' budgets.

Operating Expenses and Equipment (OE&E)
A category of a support appropriation that includes accounts/categories of expenditure such as general expenses, printing, communication, travel, data processing, equipment, and accessories for the equipment. (*SAM 6451.)*

Out-of-State Travel (OST) blanket
A request by a state agency for the Governor's Office approval of the proposed out-of-state trips to be taken by that agency's personnel during the fiscal year. *(SAM 0760 – 0765.)*

Overhead
Those elements of cost necessary in the production of an article or the performance of a service that are of such a nature that the amount applicable to the product or service cannot be determined directly. Usually, they relate to those costs that do not become an integral part of the finished product or service, such as rent, heat, light, supplies, management, or supervision. (See also "Indirect Costs.")

Overhead Unit
An organizational unit that benefits the production of an article or a service but that cannot be directly associated with an article or service to distribute all of its expenditures to elements and/or work authorizations. The cost of overhead units are distributed to operating units or programs within the department. (See "Administration Program Costs.")

Past Year
The most recently completed fiscal year. (See also "Fiscal Year.")

Performance-Based Budget
A budget wherein proposed expenditures are organized and tracked primarily by measurable performance objectives for activities or work programs. A performance-based budget may also incorporate other bases of expenditure classification, such as character and object, but these are given a subordinate status to activity performance.

Personal Services
A category of expenditure that includes such accounts/categories of expenditures as the payment of salaries and wages of state employees and employee benefits, including the state's contribution to the Public Employees' Retirement Fund, insurance premiums for workers' compensation, and the state's share of employees' health insurance. (See also "Account" and "Category.") *(SAM 6403; UCM—Account Codes.)*

Plan of Financial Adjustment (PFA)
A plan proposed by a department, approved by the Department of Finance and the State Controller's Office (SCO), to allocate costs paid from one item to one or more items within a department's appropriations. A PFA might be used, for example, to allow the department to pay all administrative costs out of its main item and then transfer the appropriate costs to the correct items for their share of the costs paid. The SCO transfers the funds upon receipt of a transaction request from the department stating the amount to be transferred based

on the criteria for cost distribution in the approved PFA. For departments using FI$Cal, the SCO transfers the funds for PFA transactions using FI$Cal's PFA functionality, which permits the allocation of costs based on the criteria for cost distribution in the approved PFA. *(SAM 8452 et seq.)*

Pooled Money Investment Account (PMIA)
A State Treasurer's Office accountability account maintained by the State Controller's Office to account for short-term investments purchased by the State Treasurer's Office as designated by the Pooled Money Investment Board on behalf of various funds.

Pooled Money Investment Board (PMIB)
A board comprised of the Director of Finance, the State Treasurer, and the State Controller, the purpose of which is to design and administer an effective cash management and investment program, using all monies flowing through the Treasurer's bank accounts and keeping all available monies invested, consistent with the goals of safety, liquidity, and yield. *(GC 16480.1; SAM 7350.)*

Positions
See "Authorized Positions."

Price Increase
A budget adjustment to reflect the inflation factors for specified operating expenses consistent with the budget instructions from the Department of Finance.

Prior Year Adjustment
In a Fund Condition Statement in the Governor's Budget, an adjustment for the difference between previously estimated accruals used in the development of the last Governor's Budget and actual expenditures or revenues. The adjustment amount is generally included to realign the beginning fund balance to ensure accurate fund balances. It may also include other technical adjustments.

Pro Rata
The amount of state administrative costs, paid from the General Fund and the Central Service Cost Recovery Fund (e.g., amounts expended by central service agencies/departments such as the Department of Finance, State Treasurer's Office, State Controller's Office, and Legislature for the general administration of state government and for providing centralized administrative services to state agencies/departments), that are apportioned to and recovered from special funds (other than the General Fund, Central Service Cost Recovery Fund, and federal funds) as determined by the Department of Finance. *(GC 11010, 11270-11275, 13332.03; SAM 9215, 9215.1.)*

Program Budget
See "Budget—Program or Traditional."

Program Cost Accounting
A level of accounting that identifies costs by activities performed in the achievement of a purpose, in contrast to the traditional line-item format. The purpose of accounting at this level is to produce cost data sufficiently accurate for allocating and managing program resources. *(SAM 7131.)*

Programs
Activities of a business unit grouped on the basis of common objectives. Programs can be further divided into subprograms.

Project Approval Lifecycle
The process to assess the full implications of a proposed information technology project that contains analyses of options, cost estimates, and other information. *(SAM 4920-4928.)*

Proposed New Positions
A request for an authorization to expend funds to employ additional people to perform work. Proposed new positions may be for an authorization sufficient to employ one person, or for a sum of funds (blanket) from which several people may be employed. (See also "Changes in Authorized Positions.")

Proposition 98
An initiative passed in November 1988, and amended in the June 1990 election, that provides a minimum funding guarantee for school districts, community college districts, and other state agencies that provide direct elementary and secondary instructional programs for kindergarten through grade 14 (K-14), beginning with fiscal year 1988-89. The term is also used to refer to any expenditures that fulfill the guarantee. *(Article XVI, § 8.)*

Provision
Language in a bill or act that imposes requirements or constraints upon actions or expenditures of the state. Provisions are often used to constrain the expenditure of appropriations but may also be used to provide additional or exceptional authority. (Exceptional authority usually begins with the phrase "Notwithstanding...".)

Public Service Enterprise Funds
For legal basis accounting purposes, the fund classification that identifies funds used to account for the transactions of self-supporting enterprises that render goods or services for a direct charge to the user (primarily the general public). Self-supporting enterprises that render goods or services for a direct charge to other state departments or governmental entities, account for their transactions in a Working Capital and Revolving Fund. *(UCM—Fund Codes—Structure [Source Classification].)*

Reappropriation
The extension of an appropriation's availability for encumbrance and/or expenditure beyond its set termination date and/or for a new purpose. Reappropriations are typically authorized by statute for one year at a time but may be for some greater or lesser period. *(SAM 8326.)*

Recall
The power of the electors to remove an elected officer. *(Article II, § 13.)*

Redemption
The act of redeeming a bond or other security by the issuing agency.

Reference Code
A three-digit code identifying whether the item is from the Budget Act or some other source (e.g., legislation), and its character (e.g., state operations). This is the middle segment of the budget item/appropriation number. *(UCM—Fund Source/Appropriation Coding.)*

Referendum
The power of the electors to approve or reject statutes or parts of statutes, with specified exceptions and meeting specified deadlines and number of voters' signatures. *(Article II, § 9.)*

Refund to Reverted Appropriations
A receipt account to record the return of monies (e.g., abatements and reimbursements) to appropriations that have reverted. *(SAM 7680.)*

Reimbursement Warrant (or Revenue Anticipation Warrant)
A warrant that has been sold by the State Controller's Office as a result of a cash shortage in the General Fund, the proceeds of which will be used to reimburse the General Cash Revolving Fund. The Reimbursement Warrant may or may not be registered by the State Treasurer's Office. The registering does not affect the terms of repayment or other aspects of the Reimbursement Warrant. *(GC 17240-17255.)*

Reimbursements
An amount received as payment for the cost of services performed/to be performed, or of other expenditures made for, or on behalf of, another entity (e.g., one department reimbursing another for administrative work performed on its behalf). Reimbursements represent the recovery of an expenditure. Reimbursements are available for expenditure up to the budgeted amount (scheduled in an appropriation), and a budget revision must be prepared and approved by the Department of Finance before any reimbursements in excess of the budgeted amount can be expended. *(SAM 6463, 8365.)*

Reserve
An amount of a fund balance set aside to provide for expenditures from the unencumbered balance for continuing appropriations, economic uncertainties, future apportionments, pending salary or price increase appropriations, and appropriations for capital outlay projects.

Revenue
Any addition to cash or other current assets (e.g., accounts receivables) that does not increase any liability or reserve and does not represent the reduction or recovery of an expenditure (e.g., reimbursements/abatements). Revenues are a type of receipt generally derived from taxes, licenses, fees, or investment earnings. Revenues are deposited into a fund for future appropriation and are not available for expenditure until appropriated. *(UCM—Account Codes.)*

Revenue Anticipation Notes (RANs)
A cash management tool generally used to eliminate cash flow imbalances in the General Fund within a given fiscal year. RANs are not a budget deficit-financing tool.

Revenue Anticipation Warrant (RAW)
See "Reimbursement Warrant."

Reversion
The return of the unused portion of an appropriation to the fund from which the appropriation was made, normally two years (four years for federal funds) after the last day of an appropriation's availability period. The Budget Act often provides for the reversion of unused portions of appropriations when such reversion is to be made prior to the statutory

limit. The reversion may also occur upon order of Finance. *(GC 16304, 16304.1.)*

Reverted Appropriation
An appropriation that is reverted to its fund source after the date its liquidation period has expired.

Revolving Fund
Generally refers to a cash account known as an office revolving fund (ORF). It is not a fund but an advance from a primary support item. Departments may use the cash advance to disburse ORF checks for immediate needs, as specified in SAM. The cash account is subsequently replenished by a State Controller's Office transfer from a department appropriation. The size of departmental revolving funds is subject to Department of Finance approval within statutory limits. *(SAM 8100, et seq.)*

SAL
See "Appropriations Limit, State."

Salaries and Wages Supplement
An annual publication, issued shortly after the Governor's Budget, containing a summary of all positions by department, unit, and classification for the past, current, and budget years, as of July 1 of the current year. This publication is displayed on the Department of Finance's website. (See "Schedule 7A.")

Schedule
The detail of an appropriation in the Budget Bill or Act, showing its distribution to each of the programs, or projects thereof.

or:

A supplemental schedule submitted by departments to detail certain expenditures.

or:

A summary listing in the Governor's Budget.

Schedule 7A
A summary version of the State Controller's Office detailed Schedule 8 position listing for each department. The information reflected in this schedule is the basis for the "Salaries and Wages Supplement" displayed on the Department of Finance's website. (See "Salaries and Wages Supplement.") *(SAM 6415, 6418.)*

Schedule 8
A detailed listing generated from the State Controller's Office payroll records for a department's past, current, and budget year positions as of June 30 and updated for July 1. This listing must be reconciled with each department's personnel records and becomes the basis for centralized payroll and position control. The reconciled data should coincide with the level of authorized positions for the department per the final Budget. *(SAM 6424, 6427, 6429, 6448.)*

Schedule of Federal Funds and Reimbursements, Supplementary
A supplemental schedule (DF-301) submitted by departments during budget preparation, upon request by the Department of Finance that displays federal expenditures and reimbursements by source. *(SAM 6460, 6466.)*

Schedule of Operating Expenses and Equipment, Supplementary
A supplemental schedule (DF-300) submitted by departments during budget preparation, upon request by the Department of Finance that details the expenses included in the Operating Expenses and Equipment category by expenditure account/category code. *(SAM 6454, 6457.)*

Section 1.50
A Control Section of the Budget Act that (1) specifies a certain format and style for the codes used in the Budget Act, (2) authorizes the Department of Finance to revise codes used in the Budget Act to provide compatibility with the Governor's Budget and records of the State Controller's Office, and (3) authorizes the Department of Finance to revise the schedule of an appropriation in the Budget Act or in other spending authority outside of the Budget Act for technical changes that are consistent with legislative intent. Examples of such technical changes to the schedule of an appropriation include the distribution of any unallocated amounts within an appropriation, adjustments of schedules to facilitate departmental accounting operations, and the augmentation of reimbursement amounts when the Legislature has approved the budget for the department providing the reimbursement. The Section also authorizes Finance to make certain technical corrections related to the implementation of and conversion into FI$Cal.

Section 1.80
A Control Section of the Budget Act that includes periods of availability for Budget Act appropriations. *(SAM 8325.)*

Section 8.50
A Control Section of the Budget Act that provides the authority to increase federal fund spending authority.

Section 26.00
A Control Section of the Budget Act that provides the authority for the transfer of funds from one program or function within a schedule to another program or function within the same schedule, subject to specified limitations and reporting requirements to the Legislature. *(SAM 6548.)*

Section 28.00
A Control Section of the Budget Act that authorizes the Director of Finance to approve the augmentation or reduction of items of expenditure for the receipt of unanticipated federal funds or other non-state funds, and that specifies the related reporting requirements to the Legislature. Appropriation authority for unanticipated federal funds is contained in Section 8.50. *(SAM 6551-6557.)*

Section 28.50
A Control Section of the Budget Act that authorizes the Department of Finance to augment or reduce the reimbursement line of an appropriation schedule for reimbursements received from other state agencies. It also contains specific reporting requirements to the Legislature. *(SAM 6551-6557.)*

Section 30.00
A Control Section of the Budget Act that amends Government Code section 13340 to sunset continuous appropriations.

Section 31.00
A Control Section of the Budget Act that grants departments the authority to administratively establish or reclassify positions. This section states that administratively establishing positions outside of the budget process requires both the Department of Finance's approval and legislative notification. Administratively established positions are to be temporary and expire June 30 of the current year, unless extended by the Department of Finance and the Legislature during the following budget cycle. Additionally, Section 31.00 requires the Department of Finance to review all reclassification requests involving a position meeting a specified threshold.

Senate
The upper house of California's Legislature consisting of 40 members. As a result of Proposition 140 (1990, term limits) and Proposition 28 (2012, limits on Legislators' terms in office), members elected in or after 2012 may serve 12 years in the Legislature in any combination of four-year state Senate or two-year state Assembly terms. *(Article IV, § 2 (a).)*

Service Revolving Fund
A fund used to account for and finance many of the client services rendered by the Department of General Services. Amounts expended by the fund are reimbursed by sales and services priced at rates sufficient to keep the fund solvent. *(SAM 8471.)*

Settlements
Refers to any proposed or final settlement of a legal claim (usually a suit) against the state. Approval of settlements and payments for settlements are subject to numerous controls. (See also "Judgments.") *(GC 965.)*

Shared Revenue
A state-imposed tax, such as the gasoline tax, which is shared with local governments in proportion, or substantially in proportion, to the amount of tax collected or produced in each local unit. The tax may be collected either by the state and shared with the localities or collected locally and shared with the state.

Sinking Fund
A fund or account in which money is deposited at regular intervals to provide for the retirement of bonded debt.

Special Fund for Economic Uncertainties
A fund in the General Fund (a similar reserve is included in each special fund), authorized by statute and Budget Act Control Section 12.30, to provide for emergency situations.
(GC 16418, 16418.5.)

Special Funds
For legal basis budgeting purposes, funds created by statute, or administratively per Government Code section 13306, used to budget and account for taxes, licenses, and fees that are restricted by law for particular activities of the government. *(SAM 7410.)*

Special Items of Expense
An expenditure/account category that covers non-recurring large expenditures or special purpose expenditures that generally require a separate appropriation (or otherwise require separation for clarity). *(SAM 6469; UCM—Account Codes.)*

Sponsor
An individual, group, or organization that initiates or brings to a legislator's attention a proposed law change.

Spot Bill
An introduced bill that makes non-substantive changes in a law, usually with the intent to amend the bill at a later date to include substantive law changes. This procedure provides flexibility to meet the deadline for the introduction of bills.

Staff Benefits
An account/category of expenditure representing the state costs of contributions such as for employees' retirement, OASDI, health benefits, and non-industrial disability leave benefits. (See also "Account" and "Category.") *(SAM 6412; UCM—Account Codes.)*

State-Mandated Local Program
State reimbursements to local governments for the cost of activities required by legislative and executive acts. This reimbursement requirement was established by Chapter 1406, Statutes of 1972 (SB 90) and further ratified by the adoption of Proposition 4 (a constitutional amendment) at the 1979 general election. *(Article XIII B, § 6; SAM 6601.)*

State Operations (SO)
A character of expenditure representing expenditures for the support of state government, exclusive of capital investments and expenditures for local assistance activities.

Statewide Cost Allocation Plan (SWCAP)
The amount of state administrative costs (e.g., amounts expended by central service agencies/departments such as the State Treasurer's Office, the State Personnel Board, the State Controller's Office, and the Department of Finance for the general administration of state government) assessed and recovered from federal funds, as determined by the Department of Finance. These statewide administrative costs are for administering federal programs, for which the federal government allows reimbursement. *(GC 13332.01-13332.02; SAM 9216, 9216.1, 9216.2.)*

Statute
A written law enacted by the Legislature and signed by the Governor (or a vetoed bill overridden by a two-thirds vote of both houses), usually referred to by its chapter number and the year in which it is enacted. Statutes that modify a state code are "codified" into the respective Code (e.g., Government Code, Health and Safety Code). (See also "Bill" and "Chapter.") *(Article IV, § 9.)*

Subcommittee
The smaller groupings into which Senate or Assembly committees are often divided. For example, the fiscal committees that hear the Budget Bill are divided into subcommittees generally by departments/subject area (e.g., education, resources, general government).

Subventions
Typically used to describe amounts of money expended as local assistance based on a formula, in contrast to grants that are provided selectively and often on a competitive basis. For the purposes of Article XIII B, state subventions include only money received by a local agency from the state, the use of which is unrestricted by the statutes providing the subvention. *(GC 7903.)*

Summary Schedules
Various schedules in the Governor's Budget Summary that summarize state revenues, expenditures, and other fiscal and personnel data for the past, current, and budget years.

Sunset Clause
Language contained in a law that states the expiration date for that statute.

Tax Expenditures
Subsidies provided through the taxation systems by creating deductions, credits, and exclusions of certain types of income or expenditures that would otherwise be taxable.

Technical
In the budget systems, refers to an amendment that clarifies, corrects, or otherwise does not materially affect the intent of a bill.

Tort
A civil wrong, other than a breach of contract, for which the court awards damages. Traditional torts include negligence, malpractice, and assault and battery. Additionally, interference with a contract and civil rights claims can be torts. Torts result in either settlements or judgments. *(GC 948, 965-965.9; SAM 6472, 8494; Budget Act Items 9670.)*

Traditional Budget
See "Budget—Program or Traditional."

Transfers
As displayed in fund condition statements, transfers reflect the movement of resources from one fund to another based on statutory authorization or specific legislative transfer appropriation authority.

Trigger
An event that causes an action or actions. Budget "trigger" mechanisms have been enacted in statute under which various budgeted programs are automatically reduced if revenues fall below expenditures by a specific amount.

Unanticipated Cost/Funding Shortage
A lack or shortage of (1) cash in a fund, (2) expenditure authority due to an insufficient appropriation, or (3) expenditure authority due to a cash problem (e.g., reimbursements not received on a timely basis). (See Budget Act Items 9840 and 9850.)

Unencumbered Balance
The balance of an appropriation not yet committed for specific purposes. (See "Encumbrance.")

Uniform Codes Manual (UCM)
A document maintained by the Department of Finance that sets standards for codes and various other information used in state fiscal reporting systems. These codes identify, for example, business units, programs, funds, receipts, line items, and objects of expenditure. The Accounts used in FI$Cal combine the legacy general ledger code, receipt, and object of expenditure codes in a single classification code. (See also "Account" and "Chart of Accounts Crosswalk.")

Unscheduled Reimbursements
Reimbursements collected by an agency that were not budgeted and are accounted for by a separate reimbursement category of an appropriation. To expend unscheduled reimbursements, a budget revision must be approved by the Department of Finance, subject to any applicable legislative reporting requirements (e.g., CS 28.50).

Urgency Statute/Legislation
A measure that contains an "urgency clause" requiring it to take effect immediately upon the signing of the measure by the Governor and the filing of the signed bill with the Secretary of State. Urgency statutes are generally those considered necessary for immediate preservation of the public peace, health, or safety, and such measures require approval by a two-thirds vote of the Legislature, rather than a majority. *(Article IV, § 8 (d).)* However, the Budget Bill and other bills providing for appropriations related to the Budget Bill may be passed by a majority vote to take effect immediately upon being signed by the Governor or upon a date specified in the legislation. *(Article IV, § 12 (e) (1).)*

Veto
The Governor's Constitutional authority to reduce or eliminate one or more items of appropriation while approving other portions of a bill. *(Article IV, §10 (e); SAM 6345.)*

Voucher
A request-from a state department using FI$Cal to the State Controller's Office to disburse payment from a legal appropriation or account for a lawful state obligation. The voucher identifies the appropriation or account to be charged, the payee, the amount(s) to be paid, and an affidavit attesting to the validity of the request.

Warrant
An order drawn by the State Controller directing the State Treasurer to pay a specified amount, from a specified fund, to the person or entity named. A warrant generally corresponds to a bank check but is not necessarily payable on demand and may not be negotiable. *(SAM 8400 et seq.)*

Without Regard to Fiscal Year (WRTFY)
Where an appropriation has no period of limitation on its availability. *(SAM 8325.)*

Working Capital and Revolving Fund
For legal basis accounting purposes, fund classification for funds used to account for the transactions of self-supporting enterprises that render goods or services for a direct charge to the user, which is usually another state department/entity. In contrast, self-supporting enterprises that render goods or services for a direct charge to the public account for their transactions in a Public Service Enterprise Fund.

Workload Budget
Workload Budget means the budget year cost of currently authorized services, adjusted for changes in enrollment, caseload, population, statutory cost-of-living adjustments, chaptered legislation, one-time expenditures, full-year costs of partial-year programs, costs incurred pursuant to Constitutional requirements, federal mandates, court-ordered mandates, state employee merit salary adjustments, and state agency operating expense and equipment cost adjustments. *(GC 13308.05.)* This definition is related to the calculation of the workload budget required by Section 36 of Article 13 of the California Constitution.

Year of Budget (YOB)
The fiscal year revenues and expenditures are recognized. For revenues, this is generally the fiscal year when revenues are earned, measurable, and "available." For expenditures, this is generally the fiscal year when obligations, including encumbrances, have been created during the availability period of the appropriation. When the availability period of encumbrance of an appropriation is one year (e.g., most Budget Act items), the YOB is the same as the year of appropriation (YOA) and the year of completion (YOC). However, when the availability period is more than one year, the YOB may be any fiscal year during the availability period, including the YOA or the YOC, as appropriate. For example, if an appropriation is created in 2016-17 and is available for three years, the YOA is 2016 and the YOC is 2018. If an obligation is created in 2017-18, the YOB for this obligation is 2017. In FI$Cal (PeopleSoft), the YOB is referred to as the Budget Period. The rules of recognition are not the same for all funds, depending on the appropriate basis of accounting for the fund types or other factors.

Year of Completion (YOC)
The last fiscal year for which the appropriation is available for expenditure or encumbrance.

* *Abbreviations used in the references cited:*

Article	*Article of California Constitution*
BA	*Budget Act*
CS	*Control Section of Budget Act*
GC	*Government Code*
SAM	*State Administrative Manual*
UCM	*Uniform Codes Manual*

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