BUDGET ACTION BULLETIN
CALIFORNIA STATE ASSOCIATION OF COUNTIES

2025-26 May Revision Budget Proposal
May 14, 2025

TO: CSAC Board of Directors
County Administrative Officers and County Executive Officers

FROM: Graham Knaus, CSAC Chief Executive Officer
Jacqueline Wong-Hernandez, CSAC Chief Policy Officer

RE: **2025-26 May Revision Budget Proposal**

Amidst considerable trepidation over the state's fiscal condition, the Governor released the May Revision budget proposal earlier today. While the Governor spoke for more than two hours, there was little in substance or solutions in his presentation. The lengthy press conference included more screenshots of newspaper headlines and political narrative than facts and figures about what is included in the Governor's revised budget proposal for 2025-26.

Hiding behind the effects of federal global trade policy, the Governor evaded accountability for failing to properly account for the costs of policy changes and programmatic expansions the state made. The Governor repackaged past budget actions and cost shifts as "flooding the zone" with aid to local governments to address homelessness. Local governments across the state understand, now more than ever, that clever wording and finger pointing from the bully pulpit does not obfuscate the realities and challenges of direct service delivery. The state must fulfill its responsibility to lay out policy framework with clear delineation of responsibilities for all levels of government aligned with consistent funding for cities and counties to make sustainable progress on addressing and preventing homelessness.

Regrettably, the 2025-26 May Revision does not include critical funding for the Homeless Housing, Assistance, and Prevention (HHAP) Grant program, nor does it include funding for county governments to implement Proposition 36 (2024). The HHAP program, which provides flexible funding to counties, large cities, and continuums of care to address homelessness in local communities, has been funded in a piecemeal fashion, leaving local governments with no ongoing support to sustain these vital programs.

Counties were similarly left in the lurch regarding implementation of Proposition 36, although many nonpartisan organizations across the state have argued that Proposition 36 is certain to result in an increase to the population under local community supervision, as well as an increase in local court-related workloads.

Although the Governor's May Revision and its shortcomings will dominate headlines today and for the following week, our attention is now poised on the Legislature and their pending budget packages for 2025-26. The budget conversation is far from over and CSAC will continue to drive the conversation about consistent and sufficient funding for the programs most critical to ensuring vulnerable populations have access to health and medical resources, providing for public welfare, public safety, and creating a place to live where residents are able pursue a fulfilling life.

Just the facts, please.

The Governor's May Revision budget proposal for 2025-26 includes $321.9 billion in total expenditures ($226.4 General Fund), and addresses an estimated budget deficit of $12 billion. Including the negative effects of federal global trade policy (i.e. tariffs), California's revenue forecast for 202)5-26 is $10.5 billion below the January fiscal forecast (within a five percent margin of error). The state's revenue forecast is considerably impacted by the uncertainty of the federal administration's policies on California's economy, including the tariffs that have created uncertainty for businesses and consumers. The May Revision does not draw down reserves from the Budget Stabilization Account (the voter-created "rainy day fund") to address the deficit. Rather, the Administration returned to an "everything but the kitchen sink" scattershot approach to bridge the budget gap, including budget reductions, borrowing from special funds, and shifts from the General Fund to other funds.

What did the Governor know and when did he know it?

Policy wonks who follow the Department of Finance's monthly Finance Bulletin publication of economic and revenue updates and the State Controller's Office's monthly statement of General Fund Cash Receipts and Disbursements were already well aware before the Governor's press conference that state revenues on a cash basis for 2024-25 were outpacing the state's fiscal forecast from January 2025. Even after accounting for delayed tax payments from April to October due to the tax deadline extensions for Los Angeles County residents following the devastating January fires, state revenues as of April 2025 have exceeded the state's revenue forecast by $7.9 billion for 2024-25.

What does this mean for building the 2025-26 budget? In January, we knew that the Governor's budget proposal for 2025-26 and the fiscal forecast was subject to transformation, more so than typical years. CSAC cautioned that the state shouldn't "count your chickens (appropriations) before they are hatched (enacted)." At this time, the "chickens have come home to roost"—specifically, identified risks monitored for the state's revenue forecast between January and May that came to fruition include:

- Wildfire recovery in Southern California.
- Federal fiscal policy regarding global trade and the federal/state funding relationship generally.
- Geopolitical instability, including further escalation in the Middle East or the Russian invasion of Ukraine.
- Stock market and asset price volatility.
- Constrained labor supply and lower than average labor force participation rates.

As we move forward with the budget development melee the Administration cautions some additional variables will add to our uncertainty:

- Effects on the state's labor force and economic output due to reduced net migration of working-age residents and declining fertility rates.
- The state's high living costs, especially due to persistent housing shortages, continuing to constrain the economy.

The state's budget architecture and additional commentary on the state's fiscal condition is described in further detail subsequently in this publication.

Welcome to Countyland

In some respects, the unmanageable expenditure growth of the Medi-Cal program and the subsequent frustration that the state is experiencing trying to contain its General Fund exposure is akin to what counties have experienced for decades—the twin pressures of increasing service demands for entitlement programs and statutory requirements on the one hand, and the inability to raise necessary resources to meet those demands on the other.

As we know well, the options available to counties to meet state requirements while managing finances and general-purpose revenues are limited. Broadly speaking, county general-purpose revenues have not kept up with service demands and inflation. Additionally, counties' share of costs does not typically reflect their ability to control costs in the programs for which they have responsibility to manage. It is about time that the state has to understand and experience the consequences of not fully funding their policy initiatives, as this is an essential piece of local government budgeting. Unfortunately, these hard-felt realities have consequences on the lives of everyday Californians, leading to confusion, disappointment, and the loss of expected support.

Outside of the State Echo Chamber: What do others have to say?

Last week, the Legislative Analyst's Office (LAO) released its semi-annual updated revenue outlook and assessment of the state's fiscal condition. The LAO is the California Legislature's nonpartisan fiscal and policy advisor. The LAO provides an independent assessment of the California state budget condition for the upcoming fiscal year. The publication also includes a forecast of the state's longer-term condition, typically a three-year period following the upcoming fiscal year. The 2025-26 Fiscal Outlook includes the LAO's assumptions about the state's economy for fiscal years 2025-26 through 2028-29 and how the state's economy affects the state's annual revenues and expenditures.

Earlier this year, the LAO described the state's budget as "roughly balanced" and warned about multi-billion structural deficits in the outyears. At this time, the LAO's tone is markedly blunt, and describes the state's revenue prospects in 2025-26 and beyond as ".... essentially flat, reflecting mounting risks and headwinds." Further, the LAO boldly states that "The state's economy has been in an extended slowdown for over two years." It is a reasonable question to ask; How can the state's revenues (apart from the effects of the federal tariff slump) be relatively healthy in 2024-25 and, simultaneously, the economy appears to be on the brink of a recession?

In a separate publication regarding the efficacy of revenue forecasts, the LAO warns that "revenue trends can diverge considerably from trends in the state's economy." Essentially, the LAO is emboldened to say what the Administration has muffled; there are rough economic roads ahead. Despite their candor, at this time the LAO does not include any specific predictions regarding anticipated changes in federal policy that may affect California's fiscal condition.

What happens next?

In the coming weeks, the budget negotiations will begin in earnest, with the tight constitutional deadline for the Legislature to pass the budget bills by June 15. Budget committees and their subcommittees in the Assembly and Senate will hold hearings to review the Governor's May Revision budget proposals and craft the legislative vehicles that will eventually become law. As required by the State Constitution, the budget chair in each house of the California Legislature introduced the Governor's proposed budget bill in January (AB 227 and SB 65). These bills will be amended to reflect the proposed revisions to the 2025-26 budget announced this week.

As county leaders, now is the time to make your community's voice heard by providing written comments or in-person testimony directly to these committees. We also encourage you to contact legislators and officials from your region to share the county perspective and your own budget priorities and areas of concern. Your CSAC advocacy team has been working tirelessly for months to shape this year's budget. However, we are stronger together and by making our collective voices heard during the coming weeks we can help craft a budget that serves all of our communities. We look forward to providing you updates, advocacy tools and analysis as the budget process evolves over the coming days.

The subsequent sections of this publication provide statewide revenue and expenditure summary charts as well as descriptions of specific budget proposals by policy area. For questions on these and other items of importance, please contact the CSAC legislative affairs team.

If you have questions regarding the Budget Action Bulletin, please contact Jessica Sankus, CSAC Principal and Fiscal Policy Analyst, at jsankus@counties.or

The State's Fiscal Condition and Future Uncertainty

"Growth Recession"

While California recently passed Japan to become the fourth largest economy in the world, the Administration says the state's fiscal outlook has abruptly and significantly dampened as a result of various federal policies, including broad and elevated tariffs, strict immigration policies, and cuts to the federal government workforce.

As the federal administration's policies continue to take effect, the U.S. is projected to experience a "growth recession", which is a period of below-trend growth and rising unemployment, during the first three quarters of 2025. The Administration assumes California will experience a "growth recession" in the May Revision revenue forecast.

The Administration finalizes its May Revision revenue forecast in mid-April, and has stated that this forecast incorporates announced tariffs and other federal policies current at that point in time. The Administration suggests the biggest downside risk for the May Revision forecast continues to be federal policy uncertainty, including the inconsistent and unpredictable approach to tariff policies , making it difficult for consumers and businesses to plan. Even if federal policy in this area stabilizes, broad tariffs near or above the current levels have no recent historical precedent and are expected to both spur inflation and distort global markets, significantly impeding economic growth. Even if tariffs are substantially scaled back, the Administration anticipates the state and national economies will likely remain on a lower trajectory compared to the time before the sweeping tariffs were announced, as businesses and consumers are likely to remain cautious in the face of ongoing uncertainty.

"Big Three" Revenues

In total, the Administration estimates that cash receipts have exceeded the Governor's Budget forecast by $7.9 billion through April 2025. This includes $6.3 billion from strong personal income tax withholding receipts and personal income tax receipts related to tax year 2024, and $1.6 billion from higher federal cost recovery collections. However, as noted above, the Administration indicates that, despite the strong cash results to date, the recent federal policies result in a projected "growth recession" and a General Fund revenue forecast that is moderately downgraded in the budget window (-$5.2 billion total in fiscal years 2023-24 through 2025-26) and significantly lowered in future years (-$20.6 billion total in fiscal years 2026-27 through 2028-29) compared to the Governor's January Budget revenue forecast.

Addressing the Ongoing Budget Deficits

As mentioned previously, the Administration is proposing several "solutions" to address the projected budget gaps in the budget year and ongoing. In previous years the Administration has relied upon one-time funding or funding available over multiple years to solve the budget gaps, however this year the Administration is proposing a significant number of reductions to ongoing programs that result in greater savings in future years.

Below is a high-level summary of the different categories of "budget solutions," which, are discussed in more detail throughout the remaining sections of this budget analysis:

- Cuts—$5 billion in total solutions in 2025-26, growing to $14.8 billion by 2028-29.
- Revenue/Borrowing—$5.3 billion in total solutions in 2025-26.
- Fund Shifts—$1.7 billion in total solutions in 2025-26.
- Triggers—$456.1 million in commitments that would be 'triggered on' in 2027-28 contingent upon sufficient resources to support these commitments. Meaning, these programs will only be funded if there is enough funding in the budget to support them in that fiscal year.

It is important to note that these budget gaps and proposed solutions do not account for any potential budget reductions at the federal level. These would need to be addressed in future budget actions by the state, whether through the proposed control sections or through additional legislative actions (budget bill juniors).

See the Department of Finance May Revision Summary linked here for additional information and charts detailing the projected revenues and expenditures.

Agriculture, Environment, and Natural Resources

The May Revision maintains much of the status quo as proposed in the Governor's January Budget with some exceptions for funding shifts to the Greenhouse Gas Reduction Fund (GGRF) and elimination of state-level projects that have not started. Major changes, however, are proposed through trailer bill language for how the state approaches the Sacramento-San Joaquin Delta (Bay-Delta), from exemptions from the California Environmental Quality Act (CEQA) for the Bay-Delta Plan, to elimination of legal requirements and fast-tracking for the state-proposed Delta Conveyance Project.

The May Revision also includes a proposal to extend and recast the existing Cap-and-Trade Program in coordination with the Senate and Assembly's existing working groups. Though lacking many details, major funding shifts are proposed for fire prevention and recovery, as well as High-Speed Rail.

Finally, the budget does not include major cuts in the disaster and recovery space. However, as counties see reductions in federal funding, from cancellation of the Building Resilient Infrastructure and Communities (BRIC) program to reductions in staffing at federal forest agencies, disaster preparedness losses are mounting for counties.

Forestry and Fire Protection

Shifting Funds to Support Ongoing CalFIRE Programs

The May Revision maintains most CalFIRE programs and proposes an ongoing shift of $1.5 billion from the General Fund to the GGRF. Programs impacted by the shift include fire prevention and resource management activities that are intended to reduce carbon emissions through reduction in catastrophic wildfires.

Elimination of the New CalFIRE Training Facility

The May Revision eliminates $35.5 million General Fund for the acquisition of property for a new CalFIRE training facility. The department is exploring options to increase training capacity using existing facilities and resources.

Increasing Capacity for Exclusive Use Air Contract

CalFIRE, along with all other wildland firefighting agencies nationwide, utilize the same limited pool of contract aerial firefighting resources during major fires and periods of dangerous wildfire conditions. The May Revision proposes to increase the current threshold for exclusive use aircraft from $27.5 million to $65 million General Fund to reflect California's increased need for aerial wildfire response.

Water Management and Delta Conveyance

Proposal to Accelerate Delta Conveyance Project

A proposal to accelerate the development of the Delta Conveyance Project within the Department of Water Resources (DWR) State Water Project is included in the May Revision. The proposal continues the Governor's desire to fast-track specific state-driven water supply projects. The project currently has a certified environmental impact report (finalized in 2023) and several permits necessary to move the project forward. The proposal would:

- Eliminate certain water rights permit deadlines within the State Water Project.
- Specifically allow for the isolated transfer of water (Delta Conveyance) across the Sacramento-San Joaquin Delta to be included as a feature of the overall system, and states this is declaratory of current law.
- Authorizes DWR to issue bonds for the project to be repaid by water agencies under contract to the State Water Project.
- Narrows judicial review and increases the authority of the state to acquire land to support construction of the project.

Eliminating CEQA for Regional Water Quality Control Plans.

The May Revision proposes trailer bill language that would eliminate CEQA review for changes to regional water quality control plans, specifically impacting the Bay-Delta Plan, so long as quarterly quality objectives are not relaxed. Combined with the specific trailer bill proposal related to the Delta Conveyance Project, the actions represent a major shift in the way the project will be reviewed and the ability to protest the project.

CSAC has a very clear Delta and State Water policy within the Agriculture, Environment and Natural Resources platform that acknowledges the varying positions of counties relative to Delta water matters, and respects all counties land use authority, revenues, public health and safety, economic development, water rights, and agricultural viability. The platform also supports strong county-focused governance and decision-making for all water matters which will no doubt be challenged by the CEQA exemption and streamlining proposals.

Salton Sea Restoration Projects

The May Revision proposes $178 million over three years (federal funds) for priority Salton Sea Restoration projects from the federal Inflation Reduction Act. This would be complemented by $11 million bond funding from previous bonds (Proposition 68 and Proposition 84) through allocations from the Department of Fish and Wildlife. The projects are focused on construction of habitat and dust suppression that would reduce pollution in downwind (inland) communities.

Urban Flood Risk Reduction Projects

The May Revision proposes $12.5 million General Fund for state operations to manage urban flood risk reduction projects with the United States Army Corps of Engineers. This investment is intended to provide the non-capital funding for over $500 million in urban flood risk reduction projects.

Greenhouse Gas Reduction Fund

The May Revision proposes to rename the "Cap-and-Trade" program to "Cap-and-Invest", extend the program to 2045, and include a minimum funding level of $1 billion annually from the GGRF for High-Speed Rail, in contrast to the 25% minimum allocation in prior years. Further, the May Revision proposes a one-time transfer of $81 million from the GGRF to the California Air Resources Board's (CARB) Motor Vehicle Account, which faces insolvency, thereby reducing the amount of GGRF funds available for climate-related activities. Extension of the program and continuation of the Climate Credit funded by GGRF would provide an estimated $60 billion for California ratepayers through 2045.

Energy

Renewable Energy

The May Revision proposes to revert $33 million of General Fund previously allocated for programs funding community renewable energy projects at the California Public Utilities Commission.

Clean Energy Storage and Permitting

The May Revision proposes significant budget augmentations for clean energy storage, including $3.7 million to the Public Utilities Commission Utilities Reimbursement Account (PUCURA) in 2025-26 and 2026-27, and $2.9 million ongoing PUCURA and 12 positions in 2027-28 to support compliance and enforcement of safety standards for large-scale, electric grid connected battery energy storage systems.

The May Revision also proposes an augmentation of $1.9 million Energy Facility Licensing and Compliance Fund and 9 positions through 2028-29 to support the California Energy Commission's (CEC) opt-in clean energy and advanced manufacturing permitting program.

Offshore Wind

The May Revision proposes to shift $42.8 million of expenditures from the General Fund to the Climate Bond (Proposition 4) in 2025-26 to support the development of offshore wind generation at the CEC.

Cannabis

The Administration proposes trailer bill language to shift the Department of Cannabis Control's illicit enforcement funding from the Cannabis Control Fund to the Cannabis Tax Fund. In addition to this fund shift, the May Revision proposes an additional $7.1 million in 2025-26, $4.9 million in 2026-27, and $6.1 million ongoing beginning in 2027-28 to support additional inspections and other departmental activities by adding 27 staff over the next three years.

The May Revision estimates $454.3 million in the Cannabis Tax Fund will be available for Allocation 3 programs for environmental protection, youth education, prevention, early intervention, and treatment, and public safety-related activities in 2025-26 and proposes the following allocation:

- 60% (approximately $272.5 million) to education, prevention, and treatment of youth substance use disorders and school retention.
- 20% (approximately $90.9 million) to clean-up, remediation, and enforcement of environmental impacts created by illegal cannabis cultivation.
- 20% (approximately $90.9 million) to public safety-related activities.

The May Revision also proposes statutory changes to the Board of State and Community Corrections' (BSCC) Proposition 64 Public Health and Safety Grant program to allow BSCC to award grants to local governments that prohibit cannabis cultivation if they authorize retail cannabis sales and requires the Board to prioritize illicit cannabis enforcement applications from local governments.

Farming and Agriculture

The May Revision proposes to increase funding for animal and human health emergency infrastructure. This increase includes $6 million General Fund and $5 million in federal funds and 29 positions that are intended to more effectively respond to Bird Flu agricultural disasters.

Exide Lead-Acid Battery Recycling Facility

The May Revision proposes a one-time shift of $35 million from the General Fund to the Lead-Acid Battery Cleanup Fund for the cleanup of residential properties with lead contamination near the former Exide lead-acid battery recycling facility.

Administration of Justice

Local Public Safety

Proposition 47 Savings Estimate

The May Revision includes an estimated total state General Fund savings of $91.5 million in 2025-26. In comparison, the estimated net savings in the Governor's January budget proposal was $88.3 million. Each year, state savings from the implementation of Proposition 47 (2014) are allocated through grants to public agencies for various recidivism reduction programs such as mental health and substance use treatment services (65% of savings), truancy and dropout prevention (25% of savings), and victims' services (10% of savings). There is an estimated reduction in state savings in future years based on forecasted incarceration impacts of Proposition 36, passed by voters last November. Proposition 36 repealed portions of Proposition 47, rendering specified drug and theft crimes from misdemeanors to felonies.

Community Corrections Performance Incentive Grant

The Community Corrections Performance Incentive Grant, established by SB 678 (Chapter 608, Statutes of 2009), was created to provide incentives for counties to reduce the number of individuals on felony probation who are admitted to state prison. The May Revision includes $127.9 million General Fund in 2025-26 for probation departments, slightly higher than the Governor's January budget proposal of $126.5 million General Fund. Funding for this grant was held relatively flat due to the impact of the COVID-19 pandemic on probation populations, law enforcement practices, and court processes. The May Revision also proposes statutory updates to the methodology for calculating incentive payments to counties, which are primarily aimed at stabilizing funding, enhancing the performance-based nature of the methodology, and reducing variability over the years.

Board of State and Community Corrections (BSCC) – Juvenile Facilities

The May Revision proposes trailer bill language that would authorize the BSCC to take civil action when a juvenile detention facility is found by the Board to be unsuitable for youth confinement. These proposed changes would allow a superior court to order specified relief, including corrective action or injunctive relief, for a facility that fails to meet the state's minimum standards for operating a juvenile detention facility.

California Highway Patrol (CHP) – Highway Violence Task Force

The May Revision includes one-time resources totaling $4.9 million Motor Vehicle Account funds in 2025-26 to fund an additional year of funding for the CHP's Highway Violence Task Force to address violent crimes occurring on highways statewide.

Proposition 36 (2024)

Notably, the May Revision does *not* propose any funding for county implementation of Proposition 36.

Department of State Hospitals (DSH)

The May Revision includes reductions to various programs that were part of the Incompetent to Stand Trial (IST) solutions package in the 2022 Budget Act. Such programs include Early Access and Stabilization Services (EASS, Jail-Based Competency Treatment , Community-Based RestorationBR), felony diversion, and collaborative stakeholder working groups, totaling an estimated reduction of $195.5 million General Fund in 2025-26, $273.1 million General Fund in 2026-27, and $191.6 million General Fund in 2027-28 and ongoing. This proposed reduction will not impact counties with existing contracts or contracts under active negotiation with DSH. Additionally, the May Revision proposes a one-time reduction of $232.5 million General Fund for unspent grant funds for counties to increase residential treatment housing capacity for IST patients. Please see the Judicial Branch section below for impacts to IST evaluations within the courts.

California Department of Corrections and Rehabilitation (CDCR)

The May Revision proposes to close another state prison by October 2026 and notes further General Fund reductions totaling roughly $125 million General Fund in 2025-26, growing to over $600 million General Fund in 2027-28. CDCR is tasked with identifying and achieving savings through additional operational improvements related to headquarters, contract management, overtime management, and modifying various aspects of health care programs.

CDCR Adult Institutions

The May Revision includes total funding of $13.6 billion for CDCR in 2025-26, of which $4.1 billion General Fund is allocated for mental health, medical, and dental care programs and services. This reflects a $300 million decrease from the Governor's budget proposal in January. Despite recent trends showing a continual decline in the adult incarcerated population, as with Proposition 47 savings, there is projected to be a modest reversal of the downward trend because of the passage of Proposition 36 (2024).

The May Revision projects that the average daily adult incarcerated population for 2024-25 is estimated to be 91,471, a decrease of 0.2% since fall projections, and 91,205 in 2025-26, a decrease of 2.2% since fall projections. The projected decrease recognizes a slower ramp up of the Proposition 36 impact than projected in the fall. However, even with the expected population increase from Proposition 36, anticipated by the state to temporarily rise to 92,179 in 2027-28, the population is still projected to continue its overall long-term downward trend, declining to 89,692 incarcerated individuals by June 30, 2029. The statewide average daily population for individuals on parole is projected to be 34,723 in 2024-25, declining slightly to 34,197 in 2025-26. Proposition 36 is projected to slightly increase the parole population, which is anticipated to remain relatively stable over the next few years, leveling out to 34,213 by June 20, 2029.

Judicial Branch

The May Revision includes $5.2 billion for the Judicial Branch ($3.2 billion General Fund), with $2.9 billion to support trial court operations.

- *Tribal Nations Access to Justice Act:* The May Revision proposes $2.7 million in 2025-26, $1.5 million in 2026-27, and $784,000 in 2027-28, for the court workload resulting from lawsuits filed by California Indian tribes against California gambling establishments and third-party providers pursuant to SB 549 (Chapter 860, Statutes of 2024).
- *Trial Court Employee Health Benefits*: A reduction of $9 million ongoing General Fund to reflect updated health benefit and retirement rate changes for trial court employees.
- *State Court Facilities Construction Fund (SCFCF) Backfill*: A reduction of $20 million to the General Fund backfill of the SCFCF in 2025-26.

Additionally, the May Revision proposes several General Fund solutions within the Judicial Branch, including but not limited to the following:

- *Incompetent to Stand Trial (IST) Evaluations:* A reversion of $9.1 million General Fund in 2023-24 and 2024-25 relating to unspent funds for improvements to IST evaluations.
- *Pretrial Release Program:* The May Revision reverts $20 million General Fund from 2024-25 from savings related to pretrial services, as well as a $20 million ongoing General Fund reduction in 2025-26 and onwards. However, the budget maintains $50 million in 2025-26 for this program.
- *Trial Court Trust Fund Unrestricted Balance:* A $38 million reduction in 2025-26 from the Trial Court Trust Fund unrestricted fund balance to the General Fund.

Department of Justice (DOJ)

The May Revision provides $1.3 billion for the California DOJ, including $496 million General Fund. These funding levels mirror what was included in the Governor's January budget proposal. There are several adjustments, including but not limited to the following:

- *Juveniles: Sealing Records*: Pursuant to AB 1877 (Chapter 811, Statutes of 2024), the May Revision proposes $2.4 million General Fund and four positions in 2025-26, decreasing to $812,000 in 2026-27 and ongoing for implementation.
- *Federal Accountability Workload*: The May Revision includes $14.4 million ongoing and 44 positions to defend against adverse federal actions, including defending environmental protections and the termination of federal grants.
- *California Law Enforcement Telecommunications System (CLETS) Department of Motor Vehicles (DMV) Enhancements*: $3.2 million General Fund in 2025-26 and $1.6 million in 2026-27 for information technology enhancements at DOJ to establish a new connection between CLETS and the DMV.

Office of Emergency Services (Cal OES)

The May Revision includes $4.4 billion ($613 million General Fund) for Cal OES. Critically, the May Revision does *not* include supplemental funding to account for a year-over-year decline in federally funded Victims of Crime Act (VOCA) dollars. In addition, the May Revision proposes a reversion of $49.7 million one-time General Fund, appropriated in the 2022 Budget Act, for the Flexible Cash Assistance for Survivors of Crime.

Government Finance and Administration

Educational Revenue Augmentation Fund (ERAF)
The Governor's May Revision proposal lacks an appropriation to backfill the insufficient ERAF amounts for Alpine, Mono, and San Mateo counties. The three counties would collectively require an appropriation of $118.4 million to be held harmless under the Vehicle License Fee reduction made in 2004.

Labor
The May Revision proposes to realize $766.7 million in savings ($283.3 million General Fund) made from salary and wage adjustments to state bargaining units. The May Revision indicates that collective bargaining negotiations will begin for bargaining units that are not already conducting collective bargaining and that budget language will be included to make the reductions if the state and public sector unions cannot reach a voluntary agreement.

Libraries
The May Revision notes the loss of $3.4 million in expected federal grants for the State Library, some of which would be used for local library grants. The May Revision proposes to reallocate $4.3 million in one-time General Fund from a 2022 budget allocation for State Library personnel. It does not appear that the funds will be used to offset the lost funding for local library grants.

Tax Proposals
The Governor's January Budget Proposal included several tax proposals that were estimated to increase General Fund revenues by a net total of $186 million in 2025-26. Those tax proposals, including a near doubling of the annual Film and Television Tax Credit 4.0award cap from $330 million to $750 million, are unchanged in the May Revision.

State-Mandated Programs
The Governor's May Revision proposes to increase the allocation to the Commission on State Mandates to reimburse local governments for costs incurred to implement state-mandated programs in 2025-26 – from $92.9 million proposed in the January budget proposal to $94.8 million. The increase is needed to account for revised state-mandated cost estimates.

To address revenue constraints or increasing costs, the state will suspend some mandated programs via the state budget. While a mandate is suspended, the requirement remains in law; however, local governments are not required to comply with the state-mandated requirements in that fiscal year and the state has no reimbursement obligation. The state can also modify the mandate to reduce costs by easing its requirements or making them options, or the state can repeal the mandate entirely, eliminating both the obligation and its associated costs.

This year, the Administration proposes a different strategy – *suspending the* ***requirements*** *of the mandate* ***retroactively***. This means that the state purports that it does not have to reimburse claims by local governments for costs already incurred during the suspension time frame, even though they were determined to be reimbursable by the Commission on State Mandates. Between the Governor's Budget and the May Revision, the Administration proposes to retroactively suspend four mandates related to stormwater permit requirements from the period of December 2009 to December 2017.

This new strategy is unconscionable. It is unclear how the state go back in time and tell local governments that they do not have to comply with the mandate requirements for eight years, so they do not have to incur costs? They cannot and should not. Local governments already incurred the costs to implement these mandates and they should be reimbursed for these costs -- suspending the mandate now does not remove the state's Constitutional requirement to pay local governments for costs already incurred. Interpreting the State Constitution to allow retroactive suspension of state-mandated programs is gross warping of this constitutional requirement.

As the Legislative Analyst's Office (LAO) rightfully points out in its comments on the proposed retroactive suspension of California Regional Water Quality Control Board, Santa Ana Region (09-TC-03), suspending the mandate does not actually remove the past requirement and local governments cannot go back in time 15 years and cease required activities to avoid incurring costs. Plus, funding these mandates would not have direct out-year fiscal implications for the state since the payments would be one time in nature to cover the costs incurred during that time frame.

The Administration, however, believes this retroactive approach is allowable under the California Constitution and proposes to retroactively suspend the following mandates:

- California Regional Water Quality Control Board, San Diego (11-TC-03) for the period of November 10, 2010 to December 31, 2017.
- California Regional Water Quality Control Board, San Diego (10-TC-11) for the period of December 16 2009 to December 31, 2017.
- California Regional Water Quality Control Board, Santa Ana (10-TC-07) for the period of January 29, 2010 to December 31, 2017.
- California Regional Water Quality Control Board, Santa Ana Region (09-TC-03) for the period of June 1, 2009 to December 31, 2017.

Also, while the California Constitution requires the state to reimburse local agencies for all valid mandate claims, specific payment deadlines for any mandate that is suspended or repealed in the following fiscal year is unclear. Consequently, local governments can spend significant resources to meet state-imposed mandates without any certainty of reimbursement. Interest on unpaid claims accrues until the claims are fully paid.

According to the State Controller's Office, as of April 2025 local governments (cities, counties, and special districts) are collectively owed $874 million for the cost to deliver state-mandated programs since 2004, an increase of $5.3 million from the prior year. That amount does not include the $140 million in accrued interest payable to local governments.

Health and Human Services

The May Revision proposal includes $302.4 billion ($85.6 billion General Fund – over 35% of the state's overall General Fund budget expenditures) in 2025-26 for all health and human services programs that support our state's most vulnerable communities. This reflects an increase of nearly $2 billion General Fund compared to expenditure appropriations included in the Governor's January budget proposal.

Of particular note, the May Revision does not incorporate any effects of potential federal cuts to critical health and human services programs that are currently under consideration in Congress.

Realignment

The Governor's May Revision includes updated revenue assumptions for 1991 Realignment and 2011 Realignment. While the projections for 2024-25 and 2025-26 indicate revenue growth for both Realignments, the total projected revenues in each Realignment in each year are lower than what was projected in January. This is due to lower estimates for the sales tax revenues, which is slightly balanced out by higher estimates for vehicle license fee (VLF) revenues. For 1991 Realignment, the estimates for both years indicate that there will not be sufficient growth to fully cover the social services caseload. All of the sales tax growth will go to caseload growth and there will only be general growth for VLF revenues.

The Realignment revenue tables, including specific projections by subaccount, are included in the appendix at the end of this Budget Action Bulletin.

HEALTH

To address the estimated budget shortfall and curb future expenditure growth in the Medi-Cal program, the May Revision includes numerous proposals which are estimated to result in $5 billion in total cost reductions in 2025-26, increasing to $14.8 billion by 2028-29. These proposals are in addition to the early budgetary actions taken to execute a $3.4 billion cash flow loan and an additional $2.8 billion General Fund appropriation for increased Medi-Cal program costs.

General Fund savings proposals include, but are not limited to:

- *Freeze Enrollment for Full-Scope (State-Only) Medi-Cal Expansion for Adults 19 Years and Older* — Freezing new enrollment effective no sooner than January 1, 2026, for individuals that otherwise would qualify for full-scope coverage under the previous young adult expansion (19-25 years), 26-49 year old expansion, and 50+ year old expansion but who have unsatisfactory immigration status (UIS) or are unable to establish satisfactory immigration, excluding Qualified Non-Citizens (also referred to as “Newly Qualified Immigrants”) under the five-year bar, individuals claiming Permanently Residing Under Color of Law and pregnant individuals. The policy is estimated to reduce costs by $86.5 million General Fund in 2025-26, increasing to $3.3 billion General Fund in 2028-29.

- *Impose Medi-Cal Premiums for Adults with UIS* —Estimated General Fund savings of $1.1 billion General Fund in 2026-27, increasing to $2.1 billion General Fund by 2028-29 to impose a $100 per person per month premium for Medi-Cal members aged 19 years and older with UIS, beginning no sooner than January 1, 2027. Once implemented, members who do not pay the premium will be discontinued from full-scope coverage but will continue to have access to restricted scope (emergency and pregnancy) services.

- *Eliminate State-Only Long-Term Care Benefits for Adults 19 and Older with UIS* – Eliminating state-only long-term care benefits for adults with unsatisfactory immigration status, effective January 1, 2026, is estimated to save $333 million General Fund in 2025-26 and $800 million in 2026-27 and ongoing.

- *Eliminate State-Only Dental Benefits for Adults 19 and Older with UIS* – Eliminating full-scope state-only dental coverage for Medi-Cal members with UIS aged 19 and older, effective July 1, 2026, is estimated to save $308 million General Fund in 2026-27 and $336 million in 2028-29 and ongoing. This population will continue to have access to restricted-scope emergency dental coverage.

- *Eliminate Prospective Payment System (PPS) Payments to Federally Qualified Health Centers (FQHCs) and Rural Health Clinics (RHCs) for UIS* — Estimated savings of $452.5 million General Fund in 2025-26, growing to $1.1 billion General Fund in 2026-27 to eliminate payment at the PPS rate for state-only services delivered to Medi-Cal members with UIS by FQHCs and RHCs. The PPS is a payment system that adjusts for geographic differences in the cost of services based on the delivery site where the services are furnished. Following the elimination, these services will be reimbursed at the applicable Medi-Cal Fee Schedule rate in the fee-for-service delivery system and at the applicable negotiated rate between a Medi-Cal managed care plan and FQHC/RHC in the managed care delivery system.

- *Reinstate the Medi-Cal Asset Test Limits*— Reinstatement of the Medi-Cal asset limit for seniors and disabled adults of $2,000 for an individual or $3,000 for a couple, effective no sooner than January 1, 2026. This proposal is estimated to result in

General Fund savings of $94 million in 2025-26, $540 million in 2026-27 and $791 million ongoing, inclusive of IHSS impacts.

- *Eliminate Proposition 56 Supplemental Payments* – Eliminating the Dental Services, Medi-Cal Family Planning, and Women's Health Proposition 56 Supplemental Payments results in cost reductions of $504 million General Fund in 2025-26 and $550 million General Fund ongoing for Proposition 56 supplemental payments to dental, family planning, and women's health providers.

- *Eliminate Specialty Drug Coverage for Weight Loss (GLP-1)* — Eliminating coverage for GLP-1 drugs for weight loss effective January 1, 2026, is estimated to save $85 million General Fund in 2025-26, growing to $680 million by 2028-29 and ongoing.

- *Eliminate Acupuncture Optional Medi-Cal Benefit* – Eliminating acupuncture as an optional benefit is estimated to result in General Fund savings of $5.4 million in 2025-26 and $13.1 million ongoing.

- *Skilled Nursing Facilities* – Eliminating the Workforce and Quality Incentive Program and suspending the requirement to maintain a backup power system for no fewer than 96 hours, results in estimated General Fund savings of $168.2 million in 2025-26 and $140 million ongoing.

- *Behavioral Health Services Fund (BHSF) General Fund Offset* – Replaces $40 million General Fund in 2024-25 and $45 million General Fund in 2025-26 for the Behavioral Health Bridge Housing Program and $55 million General Fund for Proposition 1 implementation funding to counties in 2025-26 with BHSF (state, not county) funds.

- *Medical Providers Interim Payment Fund Loan* – Utilizes $2.2 billion of the cash loan authorized in 2024-25, and $1.2 billion in 2025-26, and begins repayment of the loan in 2027-28.

- *Medi-Cal Minimum Medical Loss Ratio* – Increases the minimum medical loss ratio for managed care plans, commencing January 1, 2026, resulting in estimated General Fund savings of $200 million in 2028-29 and ongoing.

- *Pharmacy Drug Rebates* – Implements a rebate aggregator to secure state rebates for individuals with UIS. Estimated General Fund savings are $300 million in 2025-26 and $362 million ongoing. Additionally, the May Revision reflects additional General Fund savings of $75 million in 2025-26 and $150 million ongoing associated with minimum rebates for human immunodeficiency virus (HIV)/acquired immunodeficiency syndrome (AIDS) and cancer drug rebates.

Medi-Cal

The Medi-Cal budget includes $179 billion ($37.4 billion General Fund) in 2024-25 and $194.5 billion ($44.6 billion General Fund) in 2025-26. Medi-Cal is projected to cover approximately 15 million Californians in 2024-25 and 14.8 million in 2025-26—more than one-third of the state's population. The May Revision reflects a net increase of $1.9 billion General Fund in 2024-25 for Medi-Cal compared to expenditure appropriations included in the Governor's January budget proposal.

Since the release of the Governor's Budget in January, Medi-Cal program expenditures have increased significantly, resulting in a $3.4 billion cash flow loan and an additional $2.8 billion General Fund appropriation approved through early budget action in recent months. According to the Governor's May Revision summary, the increase is driven primarily by higher than anticipated overall program enrollment and continued growth due to major policy changes, pharmacy costs, and higher managed care costs.

Without the May Revision proposals listed above to contain expenditure growth, the Administration forecasts that General Fund costs for Medi-Cal would be roughly $10 billion higher across 2024-25 and 2025-26 compared to the Governor's Budget and contribute significantly to a budgetary structural imbalance in future years.

MCO Provider Tax and Proposition 35

Proposition 35, approved by voters at the November 2024 general election, continues the MCO tax added by AB 119 (Chapter 13, Statutes of 2023) permanently and specifies permissible uses of tax revenues starting with the 2025 tax year. Provider payment increases and investments that were new and authorized in the 2024 Budget Act are repealed as of January 1, 2025. Tax revenues will continue to support provider rate increases for primary care, maternal care, and non-specialty mental health services that were implemented in 2024. Proposition 35 also requires DHCS to consult with a stakeholder advisory committee to develop and implement new or modified payment methodologies.

The May Revision reflects MCO tax revenue of $9 billion in 2024-25, $4.2 billion in 2025-26, and $2.8 billion in 2026-27 to support existing and increased costs in the Medi-Cal program. Compared to the Governor's Budget, this is an increase of $1.1 billion in 2024-25 and reflects decreases of $200 million in 2025-26 and $400 million in 2026-27. The May Revision reflects $804 million in 2024-25, $2.8 billion in 2025-26, and $2.4 billion in 2026-27 for the MCO tax and Proposition 35 expenditure plan. This includes $1.6 billion across 2025-26 and 2026-27 to support increases in managed care base rates relative to Calendar Year 2024 for primary care, specialty care, ground emergency medical transportation, and hospital outpatient procedures.

CalAIM / Behavioral Health Community-Based Organized Networks of Equitable Care and Treatment (BH-CONNECT)

In December 2024, the federal Centers for Medicare & Medicaid Services (CMS) approved approximately $8 billion (state, local, and federal funds) for the BH-CONNECT Demonstration effective January 1, 2025, through December 31, 2029, to expand access to and strengthen the continuum of behavioral health services for Medi-Cal members living with behavioral health needs. The funding will support activities and services administered by the DHCS, the Department of Social Services, and the Department of Health Care Access and Information (HCAI). The BH-CONNECT waiver also includes $1.9 billion total funds over the life of the demonstration, for a workforce initiative. While no significant changes have been highlighted in the May Revision related to the BH-CONNECT waiver, estimate details are still being reviewed.

Behavioral Health Services Act (Proposition 1)

The 2024 Budget Act included $85 million ($50 million General Fund) for counties to begin administering the Behavioral Health Services Act (BHSA) as passed by the voters under Proposition 1 in March 2024. The May Revision maintains the $93.5 million in 2025-26 for counties to continue implementation efforts under the BHSA. However, as previously noted, $55 million of the $93.5 million total that had been funded with General Fund is now proposed to be swapped out with part of the state's portion of Behavioral Health Services Fund (BHSF) dollars.

The May Revision also includes $1.9 billion ($143 million Behavioral Health Services Fund, $808 million Designated State Health Program Funding, and $950 million federal funds) for the Department of Health Care Access and Information (HCAI) to implement the Behavioral Health Workforce Initiative beginning in January 2026. Proposition 1 directs HCAI to implement a comprehensive workforce initiative to build and support a robust and diverse behavioral health workforce capable of providing high-quality, holistic services to all Californians. The initiative is to be developed in consultation with various stakeholders, including DHCS, behavioral health professionals, counties, education and training programs, and consumer advocates.

Proposed budget trailer bill language seeking to address BHSA revenue stability to effectuate the report required to be submitted by June 30, 2025, to the Governor's Office and Legislature, is still pending. The report is to include recommendations to reduce BHSA revenue volatility and propose appropriate prudent reserve levels to support the sustainability of county programs and services.

Elimination of Mental Health Wellness Act Funding

The May Revision proposes to eliminate BHSA expenditure authority of $20 million annually starting in 2025-26 that was initially provided to the Behavioral Health Oversight and

Accountability Commission to support peer respite, maternal behavioral health, and full-service partnership performance contracting programs.

Community Assistance, Recovery and Empowerment (CARE) Act

The May Revision continues to support statewide implementation of the CARE Act. Specifically, the Governor's Budget includes $23.3 million in 2024-25, and $31.9 million in 2025-26 for county behavioral health activities. Funding information to support qualified legal services projects and public defenders for legal services, as well as funding for 2026-27 and ongoing for county behavioral health agency activities was pending from the Administration at the time of this publication.

The May Revision estimates reflect a decrease from the Governor's Budget proposal due to updated forecasts based on more recent actual data on petitions. Net increased funding in 2025-26 reflects an increase in the number of estimated CARE Act cases, a three percent increase in rates (inflation adjustment) for claimable activities, and a reduction in training/technical assistance funding to petitioner entities as statewide implementation activity settles.

Lanterman-Petris-Short (LPS) Conservatorships (SB 43/SB 1238)

Additional counties have begun implementation of SB 43 (Chapter 637, Statutes of 2023) prior to the statutory deadline of January 1, 2026. Consistent with the Governor's Budget, the May Revision does not propose additional funding for counties to implement the bill's requirements.

Public Health

The May Revision includes $5 billion ($2.3 billion federal funds, $1.9 billion special fund/reimbursements, and $742.3 million General Fund) in 2025-26 for the support of the California Department of Public Health's programs and services that reinforce the state's commitment to the health and well-being of all Californians. Of the total, $1.8 billion is for State Operations and $3.2 billion is for Local Assistance.

Future of Public Health Funding Maintained

The May Revision preserves the Future of Public Health investment, which provides approximately $276 million General Fund annually, with roughly $188 million dedicated to local public health. Originally appropriated through the 2022 Budget Act, the Future of Public Health funding has been a critical investment in California's public health readiness and response to existing and emerging public health threats. Local health departments have hired over 1,100 staff positions using these funds, leading to strengthened local programs, services, and partnerships to reduce health disparities.

Public Health IT Infrastructure Funding Restored
The May Revision also includes approximately $31.5 million one-time funding to support the maintenance and operations for the California Vaccine Management System, also known as myCAvax. The Governor's January Budget proposal did not include funding for myCAvax beyond the end of the current fiscal year, which would have resulted in health care providers, the state, and local health departments needing to return to using spreadsheets and manual calls to track vaccination distribution and records management.

CSAC, alongside county partners, advocated to maintain critical Future of Public Health Funding and formally requested restoration of funding for the myCAvax system.

Responding to Complaints – Acute Psychiatric Hospitals
The May Revision reflects an increase of 5 positions and $1 million from the State Department of Public Health Licensing and Certification Program Fund to support the investigations of acute psychiatric hospital complaints.

Further, the Department of Public Health indicates it will be introducing budget trailer bill language pertaining to emergency regulations for acute psychiatric hospitals. This language is currently pending.

988 Suicide and Crisis Lifeline Centers
The May Revision includes $17.5 million from the 988 State Suicide and Behavioral Health Crisis Services Fund to provide additional support to 988 Suicide and Crisis Lifeline Centers.

Licensure and Regulation of Pharmacy Benefit Managers
The May Revision proposes statutory changes to establish licensure and data reporting requirements for pharmacy benefit managers to increase transparency in the pharmacy supply chain, understand cost drivers, and develop approaches to improve the affordability of prescription drugs in California.

HUMAN SERVICES

California Work Opportunity and Responsibility to Kids (CalWORKs)
The CalWORKs program is California's version of the federal Temporary Assistance for Needy Families (TANF) program, which provides temporary cash assistance to low-income families with children to meet basic needs as well as welfare-to-work services to help families become self-sufficient. The May Revision assumes $9.5 billion in total state, local, and federal TANF expenditures in 2025-26. Of this, $6.2 billion is included for the CalWORKs program. For 2025-26, the average monthly CalWORKs caseload is estimated to be 363,766 families.

Program Streamlining

The May Revision proposes statutory changes that would streamline the CalWORKs program and result in $18.2 million in ongoing Total Fund savings. These policy changes are intended to align with more family-centered approaches to CalWORKs. There will be trailer bill language released for implementation of these proposals. There are four significant policy changes being presented.

1. Expand allowable welfare-to-work (WTW) activities – This proposal would include activities such as case plan development, WTW plan revisions, and coaching with a case manager to the list of allowable activities.
2. Reassess mandatory activities – This proposal would preserve the ability to participate in Job Club when appropriate by making it an optional WTW activity, while also including flexibility for other work and work readiness activities.
3. Simplify curing of sanctions – This change would allow for verbal agreement to participate in activities outlined in a cure plan and eliminate the signature requirement for completing a WTW cure plan.
4. Elimination of CalWORKs RADEP and E2Lite – This proposal would eliminate county WTW data reporting activities and proposes to instead gather required data elements for federal reporting using CalSAWS administrative data extracts by the California Department of Social Services (CDSS).

Grant Increase

The Governor's May Revision does not include an increase to CalWORKs Maximum Aid Payment levels for October 2025. This is an updated estimate that is less than the 0.2% increase that was projected in the January Budget proposal. The estimate is based on the projected revenues available in the Child Poverty and Family Supplemental Support Subaccount.

In-Home Supportive Services

The In-Home Supportive Services (IHSS) program provides assistance and services to eligible older or disabled individuals to help them remain safely in their homes. For 2025-26, the May Revision includes $28.3 billion for IHSS, of which $10.3 billion is from the General Fund. This is a net decrease of $251.6 million General Fund from the Governor's January Budget Proposal that reflects the budget solutions outlined below.

IHSS Budget Solutions

The Governor's May Revision contains several proposals to address the budget situation:

- *Provider Hours* – The May Revision proposes to cap IHSS provider hours for overtime and travel at 50 hours per week, generating a savings of $707.5 million General Fund.

- *IHSS Residual Program* – There is a proposal to conform the IHSS Residual Program coverage with the timing of Medi-Cal coverage which would save $110.6 million General Fund. The IHSS Residual Program is the original IHSS program that is maintained for individuals who are eligible for IHSS under a state-only Medi-Cal program. Approximately 2% of the IHSS caseload is in the Medi-Cal residual program.
- *IHSS for Medi-Cal Expansion* – The May Revision would eliminate IHSS benefits for individuals ages 19 and older who are eligible for Medi-Cal but have unsatisfactory immigration status. This proposal would result in reduced General Fund costs of $158.8 million in 2025-26.
- *Late Penalties* – The May Revision proposes to shift $81 million in costs from the General Fund to counties for Community First Choice Option (CFCO) reassessment late penalties. There are 22 counties that are out of compliance as of 2024-25.
- *Asset Test Limit* – There is a proposal to conform IHSS with the reinstatement of the Medi-Cal asset limit resulting in a reduction of $25.5 million General Fund spending in 2025-26.

IHSS Collective Bargaining
The Governor's May Revision does not contain any proposals related to moving IHSS collective bargaining responsibilities to the state. In April, the CDSS released an analysis of the costs and benefits of moving IHSS collective bargaining responsibilities from counties to the state level as required by the 2023 Budget Act. CSAC provided a detailed summary of this report when it was released.

Child Welfare and Foster Care
Child welfare services and foster care provide a range of services for children who are at risk of or have been victims of abuse and neglect. The Governor's May Revision includes $973.3 million General Fund for services to children and families. Total funding for children's programs is more than $9.9 billion when federal funding and 1991 and 2011 Realignment revenues are included.

Tiered Rate Structure Implementation
AB 161 (Chapter 46, Statutes of 2024) enacted a new foster care permanent rate structure with implementation set to occur on July 1, 2027. The Governor's May Revision proposes to make implementation of this new rate structure in 2027-28 subject to a trigger provision based on the availability of General Fund revenues in spring 2027.

Family Urgent Response System (FURS)
The FURS program provides foster youth and their caregivers with the immediate support they need during times of emotional crisis, and links youth and families to needed supports

and services to help stabilize the situation. The May Revision proposes to reduce funding by $13 million in 2025-26 and ongoing, maintaining $17 million ongoing for the program.

Nutrition Assistance

The CalFresh program is California's version of the federal Supplemental Nutrition Assistance Program (SNAP), which provides federally funded food benefits for eligible families. The May Revision includes $4.5 billion in total CalFresh and other nutrition assistance expenditures. This is in addition to $13.3 billion in food benefits provided directly by the federal government to eligible recipients. The average monthly caseload for CalFresh is projected to be 3,338,191 households in 2025-26.

SUN Bucks

California's Summer Electronic Benefits program, known as SUN Bucks, provides $40 per child per summer month (June, July, and August) in federally funded food benefits to children who lose access to free and reduced-price meals during the summer school break period. The May Revision includes $115.8 million ($57.5 million General Fund) in 2025-26 for transactions costs and outreach to provide an estimated $815.9 million in federal food assistance to children.

CFAP Expansion

The California Food Assistance Program (CFAP) provides state-funded food benefits for noncitizens who do not qualify for federally funded CalFresh benefits. The 2022 Budget included funding to expand CFAP to all adults ages 55 and over and who are income eligible, regardless of their immigration status. To address the projected budget shortfall, the May Revision proposes to make implementation of CFAP expansion subject to a trigger provision, based on the availability of General Fund in Spring 2027.

Child Care and Early Learning

The May Revision includes $7 billion ($4.5 billion General Fund) for all child care and development programs administered by the CDSS.

Child Care Budget Solutions

To address the projected budget shortfall, the May Revision includes:

- A reduction of $60.7 million General Fund in 2025-26 and ongoing to suspend the child care cost-of-living adjustments.
- A reduction of $42.7 million General Fund in 2025-26 and ongoing for the Emergency Child Care Bridge program, while maintaining $51 million in annual ongoing funding for the program. The Emergency Child Care Bridge program was first implemented in 2018 and provides time-limited vouchers for child care and child navigator services for children within the foster care system.

Homelessness

The May Revision does not contain any new proposals related to homelessness funding.

New Housing and Homelessness Agency

Please see the Housing, Land Use, and Transportation section for details related to the new California Housing and Homelessness Agency, as proposed in the Governor's Reorganization Plan.

Homeless Housing, Assistance and Prevention Program

The Governor's May Revision maintains existing commitments for the Homeless Housing, Assistance and Prevention (HHAP) program, but does not include funding for a Round 7 of the program. In January, the Governor had outlined additional accountability measures that should be incorporated into any future homelessness funding. These included requirements for a local encampment policy and compliant Housing Element, prioritization of funding for jurisdictions with a Pro-Housing Designation, and reallocation of funding if local governments fail to meet program requirements or show progress on key metrics. CSAC is engaged in ongoing conversations with the Administration and the Legislature on homelessness funding and accountability, including advocacy for additional HHAP funding.

Housing, Land Use, and Transportation

The May Revision released today did not contain significant funding changes. However, the Administration is introducing trailer bill language to achieve a variety of policy goals that would typically require a package of compromises if they were attempted through the standard policy committee legislative process.

Housing

The Administration is reverting approximately $32 million in unexpended General Fund resources that was previously appropriated for the following programs:

- Infill Infrastructure Grant Catalytic Program
- Commercial Property Pilot Program
- Infill Infrastructure Grant Program from the 2021 Budget

Climate-Aligned Housing Trailer Bill Language

The May Revision proposes a significant program change that would allow transportation project sponsors, which includes counties, to contribute to a fund that supports the state's Transit-Oriented Program to mitigate the project's transportation impact measured in vehicle miles traveled. For background, counties and other government agencies are required by CEQA to mitigate the environmental impacts of new discretionary projects, including impacts to transportation.

Prior to the passage of SB 743 (Chapter 386, Statutes of 2013), a project's impact on transportation infrastructure was assessed in level of service: essentially, how much congestion the project would relieve or create. After 2013, SB 743 requires that a project's transportation impact be assessed in how many additional vehicle miles traveled (VMT) the project creates. VMT focuses on total vehicle trip-miles generated by a new project regardless of where they occur or how much traffic they cause.

Notable requirements in the proposed trailer bill language include:

- Requires the Governor's Office of Land Use and Climate Innovation (formerly the Governor's Office of Planning and Research) to draft a methodology for quantifying VMT, estimating potential VMT reductions and setting a mitigation fee amount. This is notable as there is no current standard for VMT assessment, reduction, or mitigation price used in the state.
- Requires the funding to be used by the Department of Housing and Community Development for housing projects in the same region where the VMT mitigation fee was paid. This is significant, because it ensures that mitigation funding spent on local projects stays within a region. However, we are aware that counties in geographically larger Metropolitan Planning Organization areas may have concerns ensuring county

transportation mitigation funds support housing that would realistically benefit county residents.
- State-level entities would be responsible for confirming the estimated VMT reductions that this funding supports. This is helpful, because it would relieve this potential reporting burdens fr on county staff.

CSAC notes that this proposal is expansive and staff is still in the process of assessing the potential impacts.

New Housing and Consumer Services Agencies
The May Revision also highlights the previously-announced proposal to split the existing Businesses, Consumer Services and Housing Agency into the California Housing and Homelessness Agency and the Business and Consumer Services Agency.

California Housing and Homelessness Agency
The May Revision proposes spending $4.2 million, mostly General Fund resources, to create an agency that will perform oversight of policy development and the Administration of state housing and homelessness programs. The Administration hopes the new agency will be able to manage and create integrated housing programs, streamline policies, and simplify the administration of state affordable housing programs. The Administration proposes the agency oversee the following entities:
- Department of Housing and Community Development
- California Interagency Council on Homelessness
- California Housing Finance Agency
- Civil Rights Department
- Housing Development and Finance Committee

CSAC notes that the Housing Development and Finance Committee would be a new entity with the goal of promoting transparency, coordination, and alignment of affordable housing resources. The Committee would administer a variety of multifamily affordable housing programs that are currently spread among several departments.

Business and Consumer Services Agency
The May Revision proposes a second new agency to focus on coordinating standards and best practices for licensing, enforcement, and education in the oversight of the state various business and professional licensing boards, bureaus and commissions. The agency will oversee the following entities:
- Department of Alcoholic Beverage Control
- Alcoholic Beverage Control Appeals Board
- Department of Cannabis Control
- Cannabis Control Appeal Panel

- Department of Consumer Affairs
- Department of Financial Protection and Innovation
- California Horse Racing Board
- Department of Real Estate

Counties employ a variety of professions, such as engineers, doctors and nurses, whose professions are overseen by the appropriate entity within the Department of Consumer Affairs (e.g., licensing).

Transportation
The May Revision budget provides no new funding, and proposes no funding shifts to the major transportation programs. The May Revision continues the agreement made in the 2024 Budget to provide $1.9 billion to transportation programs in the 2025-26 budget.

The May Revision includes a total of $1.5 billion in General Fund sources and $393 million in Greenhouse Gas Reduction Fund (GGRF) resources for transportation programs. However, we note that the Administration is not providing a GGRF funding allocation as part of the release of the May Revision, therefore it is unclear if transportation programs will receive the committed GGRF funding. Additionally, the budget information released shows the Transportation Agency is proposed to sustain a $400 million funding reduction, which indicates the capital programs the Agency administers will likely be reduced. Until additional details can be confirmed, CSAC is providing the following funding summary of transportation programs relevant to all counties:

Active Transportation Program
The Active Transportation Program (ATP) encourages projects that increase the use of active modes of transportation, such as walking and biking. The May Revision proposes $100 million in General Fund for ATP.

Transit and Intercity Rail Capital Program
The Transit and Intercity Rail Capital Program was created to fund transformative capital improvements that will 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.

- Competitive Program: The May Revision proposes for the program to receive $564 million in combined resources from the General Fund ($384 million) and Greenhouse Gas Reduction Fund ($180 million).
- Formula Program: The May Revision proposes for the program to receive $1billion in combined resources from the General Fund ($812 million) and Greenhouse Gas Reduction Fund ($188 million).

Formula Funding for Local Streets and Roads

The May Revision includes updated estimates of the fuels-based taxes and other fees that are the primary sources for supporting local transportation. Estimates of these revenues indicate a potential year-over-year increase of 0.3% in gasoline excise tax revenue and 2.6% in diesel excise tax revenue from 2024-25 to 2025-26. However, staff notes that any drop in fuel consumption driven by the overall economy may result in revenue decreases. . These revenue streams fully fund county Highway User Tax Account allocations and provide approximately 70% of county Road Maintenance and Rehabilitation Account (RMRA) allocations. Transportation Improvement Fee revenues, which fund approximately 30% of county RMRA allocations, are estimated to grow by approximately 3%. CSAC will provide counties with detailed revenue estimates for 2024-25 and 2025-26 next week.

1991 Realignment Estimate at 2025-26 May Revision

$s in Thousands

2023-24 State Fiscal Year (Actual)

Amount	CalWORKs MOE	Health	Social Services	Mental Health	Family Support	Child Poverty	Total
Base Funding							
Sales Tax Account	$752,888	$119,642	$2,521,843	$339,948	$496,208	$523,585	$4,754,113
Vehicle License Fee Account	367,663	1,093,203	216,223	149,879	185,798	472,549	2,485,315
Subtotal Base	**$1,120,551**	**$1,212,845**	**$2,738,066**	**$489,826**	**$682,006**	**$996,133**	**$7,239,428**
Growth Funding							
Sales Tax Growth Account:	$-	$-	$-	$-	$-	$-	$-
Caseload Subaccount	-	-	-	-	-	-	-
General Growth Subaccount	-	-	-	-	-	-	-
Vehicle License Fee Growth Account	-	22,704	-	46,053	-	54,270	123,026
Subtotal Growth	**$-**	**$22,704**	**$-**	**$46,053**	**$-**	**$54,270**	**$123,026**
Total Realignment 2023-24[1/]	**$1,120,551**	**$1,235,549**	**$2,738,066**	**$535,879**	**$682,006**	**$1,050,403**	**$7,362,455**

2024-25 State Fiscal Year (Projected)

Amount	CalWORKs MOE	Health	Social Services	Mental Health	Family Support	Child Poverty	Total
Base Funding							
Sales Tax Account	$752,888	$171,028	$2,521,843	$339,948	$444,822	$523,585	$4,754,113
Vehicle License Fee Account	367,663	1,115,907	216,223	195,932	185,798	526,818	2,608,341
Subtotal Base	**$1,120,551**	**$1,286,936**	**$2,738,066**	**$535,879**	**$630,620**	**$1,050,403**	**$7,362,455**
Growth Funding							
Sales Tax Growth Account:	$-	$-	$18,332	$-	$-	$-	$18,332
Caseload Subaccount	-	-	(18,332)	-	-	-	(18,332)
General Growth Subaccount	-	-	-	-	-	-	-
Vehicle License Fee Growth Account	-	21,479	-	43,569	-	51,342	116,391
Subtotal Growth	**$-**	**$21,479**	**$18,332**	**$43,569**	**$-**	**$51,342**	**$134,722**
Total Realignment 2024-25[1/]	**$1,120,551**	**$1,308,415**	**$2,756,398**	**$579,448**	**$630,620**	**$1,101,745**	**$7,497,177**

2025-26 State Fiscal Year (Projected)

Amount	CalWORKs MOE	Health	Social Services	Mental Health	Family Support	Child Poverty	Total
Base Funding							
Sales Tax Account	$752,888	$76,865	$2,540,175	$339,948	$538,986	$523,585	$4,772,445
Vehicle License Fee Account	367,663	1,137,387	216,223	239,501	185,798	578,161	2,724,732
Subtotal Base	**$1,120,551**	**$1,214,251**	**$2,756,398**	**$579,448**	**$724,784**	**$1,101,745**	**$7,497,177**
Growth Funding							
Sales Tax Growth Account:	$-	$-	$150,204	$-	$-	$-	$150,204
Caseload Subaccount	-	-	(150,204)	-	-	-	(150,204)
General Growth Subaccount	-	-	-	-	-	-	-
Vehicle License Fee Growth Account	-	$18,841	-	$38,218	-	$45,037	$102,097
Subtotal Growth	**$0**	**$18,841**	**$150,204**	**$38,218**	**$0**	**$45,037**	**$252,301**
Total Realignment 2025-26[1/]	**$1,120,551**	**$1,233,093**	**$2,906,602**	**$617,666**	**$724,784**	**$1,146,783**	**$7,749,478**

[1/] Excludes $14 million in Vehicle License Collection Account moneys not derived from realignment revenue sources.

2011 Realignment Estimate at 2025-26 May Revision

(Dollars in Millions)

	2023-24	2023-24 Growth	2024-25	2024-25 Growth	2025-26	2025-26 Growth
Law Enforcement Services	**$3,428.3**		**$3,432.1**		**$3,466.9**	
Trial Court Security Subaccount	$646.0	0	$646.8	3.5	650.3	11.3
Enhancing Law Enforcement Activities Subaccount[2]	$489.9	374.4	$489.9	412.7	489.9	429.4
Community Corrections Subaccount	$1,962.2	0	$1,964.7	26.1	1,990.8	84.5
District Attorney and Public Defender Subaccount	$81.4	0	$81.5	1.7	83.2	5.6
Juvenile Justice Subaccount	$248.9	0	$249.2	3.5	252.7	11.3
Youthful Offender Block Grant Special Account	*-235.1*		*-235.4*		*-238.7*	
Juvenile Reentry Grant Special Account	*-13.7*		*-13.8*		*-13.9*	
Growth, Law Enforcement Services		**374.4**		**447.5**		**542.1**
Mental Health[3]	**1,120.6**	0	**1,120.6 0**	3.2	**1,120.6**	10.5
Support Services	**5,287.2**		**5,293.9**		**5,355.4**	
Protective Services Subaccount	**3,060.4**	0	3,064.3	29.1	3,093.4	94.1
Behavioral Health Subaccount	**2,226.8**	0	2,229.6	32.3	2,261.9	104.6
Women and Children's Residential Treatment Services	*-5.1*		*-5.1*		*-5.1*	
Growth, Support Services		**0**		**64.6**		**209.2**
Account Total and Growth	**$10,210.5**		**$10,358.7**		**$10,694.0**	
Revenue						
1.0625% Sales Tax	9,306.0		9,413.4		9,730.6	
General Fund Backfill[4]	40.1		42.8		44.2	
Motor Vehicle License Fee	864.3		902.6		919.3	
Revenue Total	**$10,210.5**		**$10,358.7**		**$10,694.0**	

[1]This chart reflects estimates of the 2011 Realignment subaccount and growth allocations based on current revenue forecasts and in accordance with the formulas outlined in Chapter 40, Statutes of 2012 (SB 1020).

[2]Base Allocation is capped at $489.9 million. Growth does not add to the base.

[3] Base Allocation is capped at $1,120.6 million. Growth does not add to the base.

[4]Reflects General Fund backfill for exempt sales tax categories.

FY25/26 Interim Redirection Calculation							
CMSP	25-26 Realignment		Maintenance of Effort	60% Realignment + 60% MOE	Jurisdictional Risk Limitation	Adjustment to CMSP Board	Redirection
	Sales Tax	VLF					
Alpine	$ 61,211.13	$ 130,436.78	$ 21,465.00	$ 127,867.75	$ 13,150.00	$ 114,717.75	$ 13,150.00
Amador	$ 929,485.96	$ 1,850,126.06	$ 278,460.00	$ 1,834,843.21	$ 620,264.00	$ 1,214,579.21	$ 620,264.00
Butte	$ 6,796,883.86	$ 12,669,759.57	$ 724,304.00	$ 12,114,568.46	$ 5,950,593.00	$ 6,163,975.46	$ 5,950,593.00
Calaveras	$ 1,049,304.09	$ 2,002,691.95	$ -	$ 1,831,197.62	$ 913,959.00	$ 917,238.62	$ 913,959.00
Colusa	$ 852,526.17	$ 1,613,687.97	$ 237,754.00	$ 1,622,380.88	$ 799,988.00	$ 822,392.88	$ 799,988.00
Del Norte	$ 955,844.92	$ 1,850,093.77	$ 44,324.00	$ 1,710,157.61	$ 781,358.00	$ 928,799.61	$ 781,358.00
El Dorado	$ 3,879,633.98	$ 7,345,082.28	$ 704,192.00	$ 7,157,344.96	$ 3,535,288.00	$ 3,622,056.96	$ 3,535,288.00
Glenn	$ 930,179.24	$ 1,791,359.69	$ 58,501.00	$ 1,668,023.96	$ 787,933.00	$ 880,090.96	$ 787,933.00
Humboldt	$ 7,008,408.84	$ 13,049,599.00	$ 589,711.00	$ 12,388,631.30	$ 6,883,182.00	$ 5,505,449.30	$ 6,883,182.00
Imperial	$ 6,893,903.47	$ 12,795,156.91	$ 772,088.00	$ 12,276,689.03	$ 6,394,422.00	$ 5,882,267.03	$ 6,394,422.00
Inyo	$ 1,273,484.53	$ 2,441,765.05	$ 561,262.00	$ 2,565,906.95	$ 1,100,257.00	$ 1,465,649.95	$ 1,100,257.00
Kings	$ 3,341,528.38	$ 6,254,150.76	$ 466,273.00	$ 6,037,171.28	$ 2,832,833.00	$ 3,204,338.28	$ 2,832,833.00
Lake	$ 1,405,375.86	$ 2,671,465.67	$ 118,222.00	$ 2,517,038.12	$ 1,022,963.00	$ 1,494,075.12	$ 1,022,963.00
Lassen	$ 958,898.79	$ 1,891,877.92	$ 119,938.00	$ 1,782,428.83	$ 687,113.00	$ 1,095,315.83	$ 687,113.00
Madera	$ 3,342,831.12	$ 6,198,800.85	$ 81,788.00	$ 5,774,051.98	$ 2,882,147.00	$ 2,891,904.98	$ 2,882,147.00
Marin	$ 7,945,070.37	$ 14,951,452.11	$ 1,196,515.00	$ 14,455,822.49	$ 7,725,909.00	$ 6,729,913.49	$ 7,725,909.00
Mariposa	$ 533,810.06	$ 1,032,773.45	$ -	$ 939,950.11	$ 435,062.00	$ 504,888.11	$ 435,062.00
Mendocino	$ 2,080,699.50	$ 3,924,838.10	$ 347,945.00	$ 3,812,089.56	$ 1,654,999.00	$ 2,157,090.56	$ 1,654,999.00
Modoc	$ 586,529.78	$ 1,135,897.51	$ 70,462.00	$ 1,075,733.57	$ 469,034.00	$ 606,699.57	$ 469,034.00
Mono	$ 739,951.71	$ 1,513,033.36	$ 409,928.00	$ 1,597,747.84	$ 369,309.00	$ 1,228,438.84	$ 369,309.00
Napa	$ 3,308,971.67	$ 6,238,261.48	$ 546,957.00	$ 6,056,514.09	$ 3,062,967.00	$ 2,993,547.09	$ 3,062,967.00
Nevada	$ 2,085,842.58	$ 3,929,597.86	$ 96,375.00	$ 3,667,089.26	$ 1,860,793.00	$ 1,806,296.26	$ 1,860,793.00
Plumas	$ 919,865.33	$ 1,707,777.91	$ 66,295.00	$ 1,616,362.94	$ 905,192.00	$ 711,170.94	$ 905,192.00
San Benito	$ 1,233,142.56	$ 2,367,072.31	$ -	$ 2,160,128.92	$ 1,086,011.00	$ 1,074,117.92	$ 1,086,011.00
Shasta	$ 5,934,928.39	$ 10,959,909.47	$ 184,049.00	$ 10,247,332.12	$ 5,361,013.00	$ 4,886,319.12	$ 5,361,013.00
Sierra	$ 189,231.37	$ 368,673.17	$ 7,330.00	$ 339,140.72	$ 135,888.00	$ 203,252.72	$ 135,888.00
Siskiyou	$ 1,592,736.30	$ 3,039,222.68	$ 287,627.00	$ 2,951,751.59	$ 1,372,034.00	$ 1,579,717.59	$ 1,372,034.00
Solano	$ 8,251,430.16	$ 15,349,084.81	$ 115,800.00	$ 14,229,788.98	$ 6,871,127.00	$ 7,358,661.98	$ 6,871,127.00
Sonoma	$ 13,797,246.89	$ 25,530,964.18	$ 438,234.00	$ 23,859,867.04	$ 13,183,359.00	$ 10,676,508.04	$ 13,183,359.00
Sutter	$ 3,212,576.78	$ 6,096,640.57	$ 674,240.00	$ 5,990,074.41	$ 2,996,118.00	$ 2,993,956.41	$ 2,996,118.00
Tehama	$ 2,136,912.57	$ 4,068,231.85	$ 446,992.00	$ 3,991,281.85	$ 1,912,299.00	$ 2,078,982.85	$ 1,912,299.00
Trinity	$ 840,816.84	$ 1,649,464.68	$ 292,662.00	$ 1,669,766.11	$ 611,497.00	$ 1,058,269.11	$ 611,497.00
Tuolumne	$ 1,641,235.86	$ 3,140,980.91	$ 305,830.00	$ 3,052,828.06	$ 1,455,320.00	$ 1,597,508.06	$ 1,455,320.00
Yuba	$ 2,696,680.28	$ 4,973,568.25	$ 187,701.00	$ 4,714,769.72	$ 2,395,580.00	$ 2,319,189.72	$ 2,395,580.00
Yolo	$ 1,950,151.36	$ 4,193,404.61	$ 1,081,388.00	$ 4,334,966.38	$ 943,110.00	$ 3,391,856.38	$ 943,110.00
CMSP Board	$ 60,109,911.68	$ 185,797,900.55	$ -	$ 147,544,687.34	NA	NA	$ 245,907,812.23
SUBTOTAL	**$ 161,467,242.38**	**$ 376,524,804.05**	**$ 11,534,612.00**	**$ 329,715,995.06**	**$ 90,012,071.00**	**$ 92,159,236.72**	**$ 335,919,883.23**

Article 13 60/40	25-26 Realignment		Maintenance of Effort	FY 10-11 Total Realignment		MOE Capped at 14.6% of 10-11 Realignment	Redirection
	Sales Tax	VLF		Sales Tax	VLF		
Placer	$ 1,964,183.70	$ 4,054,398.95	$ 368,490.00	$ 1,223,351.24	$ 3,475,002.90	$ 368,490.00	$ 3,832,243.59
Sacramento	$ 17,943,389.17	$ 37,681,608.44	$ 7,128,508.00	$ 11,073,547.81	$ 32,428,453.58	$ 6,351,292.20	$ 37,185,773.89
Santa Barbara	$ 4,454,670.69	$ 9,734,672.31	$ 3,794,166.00	$ 2,695,565.51	$ 8,405,681.53	$ 1,620,782.07	$ 9,486,075.04
Stanislaus	$ 6,107,930.69	$ 12,926,551.36	$ 3,510,803.00	$ 3,756,009.76	$ 11,132,596.16	$ 2,173,736.46	$ 12,724,931.11
SUBTOTAL	**$ 30,470,174.25**	**$ 64,397,231.06**	**$ 14,801,967.00**	**$ 18,748,474.32**	**$ 55,441,734.17**	**$ 10,514,300.74**	**$ 63,229,023.63**

Article 13 Formula	25-26 Realignment		Health Realignment Indigent Care %	Total Revenue FY 25-26	Total Costs FY 25-26	Savings	Calculated Redirection
	Sales Tax	VLF					
Fresno*	$ 13,360,853.95	$ 28,563,081.53	44.38%	[redacted]			$ 18,605,842.57
Merced*	$ 3,216,535.97	$ 6,478,184.16	43.41%	[redacted]			$ 4,208,478.01
Orange*	$ 32,354,301.37	$ 62,596,799.58	52.02%	[redacted]			$ 49,393,562.71
San Diego*	$ 38,284,173.57	$ 70,001,930.82	49.33%	[redacted]			$ 53,417,535.30
San Luis Obispo*	$ 2,431,277.11	$ 5,283,186.87	44.45%	[redacted]			$ 3,429,079.24
Santa Cruz*	$ 2,977,334.94	$ 6,594,336.39	46.61%	[redacted]			$ 4,461,356.01
Tulare	$ 5,730,358.26	$ 11,562,967.90	47.88%	$ 10,343,320.00	$ 426,200.61	$ 9,917,119.38	$ 7,933,695.51
SUBTOTAL	**$ 98,354,835.17**	**$ 191,080,487.25**		**$ 10,343,320.00**	**$ 426,200.61**	**$ 9,917,119.38**	**$ 141,449,549.34**

*Opted for Historical Percentage

DPH	25-26 Realignment		Health Realignment Indigent Care %	Total Revenue FY 25-26	Total Costs FY 25-26	Savings	Calculated Redirection
	Sales Tax	VLF					
Alameda	$ 20,861,876.78	$ 45,957,544.14	81.68%	$ 993,093,577.07	$ 874,113,030.70	$ 118,980,546.37	$ 54,578,103.01
Contra Costa	$ 10,687,392.22	$ 23,351,985.41	80.50%	$ 547,051,837.71	$ 683,739,141.54	$ (136,687,303.82)	$ -
Kern	$ 9,056,320.52	$ 19,448,442.91	66.26%	$ 457,004,368.26	$ 330,485,737.94	$ 126,518,630.32	$ 18,887,256.25
Los Angeles	$ 166,042,788.02	$ 367,798,873.87	83.00%	$ 6,473,059,567.67	$ 7,184,827,070.24	$ (711,767,502.57)	$ -
Monterey	$ 4,317,714.62	$ 9,460,488.23	51.19%	$ 322,527,925.41	$ 286,795,223.76	$ 35,732,701.65	$ 7,053,062.04
Riverside	$ 17,189,870.58	$ 36,375,593.00	84.44%	$ 844,398,407.83	$ 732,270,052.03	$ 112,128,355.80	$ 45,230,677.45
San Bernardino	$ 20,336,661.96	$ 40,614,996.01	58.54%	$ 708,304,926.52	$ 519,725,717.80	$ 188,579,208.72	$ 35,681,100.58
San Francisco	$ 31,673,495.80	$ 70,158,123.63	57.36%	$ 766,805,247.11	$ 918,838,445.81	$ (152,033,198.69)	$ -
San Joaquin	$ 7,846,146.33	$ 15,961,519.92	96.74%	$ 335,934,986.67	$ 366,341,046.16	$ (30,406,059.48)	$ -
San Mateo	$ 7,434,174.26	$ 16,296,765.32	80.82%	$ 290,326,498.37	$ 284,332,873.15	$ 5,993,625.22	$ 4,794,900.18
Santa Clara	$ 17,983,689.65	$ 39,190,614.09	85.00%	$ 2,015,960,010.43	$ 2,143,868,483.66	$ (127,908,473.24)	$ -
Ventura	$ 7,045,424.71	$ 15,232,113.50	80.62%	$ 427,757,347.03	$ 350,680,379.96	$ 77,076,967.07	$ 17,960,151.30
SUBTOTAL	**$ 320,475,555.45**	**$ 699,847,060.03**		**$ 14,182,224,700.08**	**$ 14,676,017,202.73**	**$ (493,792,502.65)**	**$ 184,185,250.80**

25-26 Interim Redirection $ 724,783,706.99