7-2. INFORMATION
Lobby Updates

California Vanpool Authority

AGENDA ITEM 7-2.
June 12, 2025
Presented by: Environmental & Energy Consulting

SUBJECT:

INFORMATION: Environmental & Energy Consulting Lobbyist Update

INFORMATION:

Environmental & Energy Consulting to provide a comprehensive update.

RECOMMENDED ACTION & FISCAL IMPACT:

This is an information item.

ATTACHMENT(S):

1. Exhibit A. CalVans Board Legislative Update

June 12, 2025

California Vanpool Authority Board of Directors
Environmental & Energy Consulting Lobbyist Update

Legislative Updates
House of Origin Deadline:
The Legislature's policy and fiscal committees have completed their reviews of all bills originating in their respective houses. Approved measures are now being considered on the floor, with each chamber meeting daily to meet the June 6th deadline to move bills to the other house. Once bills are approved off the floor, they will be referred and considered by the relevant policy committees of the opposite house once again. Below are the bills EEC is tracking for the Authority.

On the Ralph M. Brown Act:

- AB 259 (Rubio, Blanca-D) Open meetings: local agencies: teleconferences.
    - Would make permanent the current rules for local agency teleconferencing, which are set to expire on January 1, 2026. This includes the allowance for teleconferencing when at least a quorum of members is physically present in one location, and the limitation of no more than two remote meetings for a member of a body that meets once a month or less.
    - Passed the Assembly Floor with a vote of 73-0-6 *(Yes-No-Abstain)*.
    - Now in the Senate. Double-referred to Committees on Local Government and Judiciary.

- AB 467 (Fong-D) Open meetings: teleconferences: neighborhood councils.
    - Would further extend until 2031 teleconferencing authority for City of LA neighborhood councils.
    - Passed the Assembly Floor with a vote of 65-7-7.
    - Now in the Senate. Double-referred to Committees on Local Government and Judiciary.

- SB 239 (Arreguín-D) Open meetings: teleconferencing: subsidiary body.
    - Would authorize advisory subsidiary bodies of a public agency to meet by teleconference, and prescribes the rules and procedures for those meetings.
    - Ordered to inactive file on request of Senator Arreguín on June 3rd.

- SB 470 (Laird-D) Bagley-Keene Open Meeting Act: teleconferencing.

    - Would delete the requirement for state boards and commissions to notice the location of each member teleconferencing in and authorize a quorum to be made remotely, with only one staff member present, not board member.
    - Passed the Senate Floor with a vote of 25-8-7.
    - Now in the Assembly pending referral.

- SB 707 (Durazo-D) Open meetings: meeting and teleconference requirements.
    - This bill would require eligible legislative bodies, until January 1, 2030, to offer two-way telephonic or audiovisual access for public meetings and take steps to encourage public participation.
    - Passed the Senate Floor with a vote of 24-6-10.
    - Now in the Assembly pending referral.

On the California Public Records Act:

- AB 370 (Carrillo-D) California Public Records Act: cyberattacks.
    - Allows governments to delay PRA responses when subject to a cyberattack.
    - Passed the Assembly Floor on consent with a vote of 75-0-4.
    - Set for hearing in the Senate Judiciary Committee on 6/17/25.

On zero-emission vehicle funding:

- AB 939 (Schultz-D) The Safe, Sustainable, Traffic-Reducing Transportation Bond Act of 2026.
    - Would provide $3 billion for zero-emission transit buses.
    - Paused at the request of the author for consideration next year.

On agricultural worker labor protections:

- AB 1362 (Kalra-D) Foreign labor contractor registration: agricultural workers.
    - Would delete the exemption on foreign labor contractors for ag workers from registering with the Labor Commissioner. Intended to counter human trafficking.
    - Passed the Assembly Floor with a vote of 57-12-10.
    - Now in the Senate pending referral.

Budget Update

May Revise:

On May 14th, Governor Newsom announced his updated budget proposal, known as the May Revision. The updated proposal projects a $12 billion General Fund deficit in Fiscal Year (FY) 2025-26, with tax revenues expected to be $5.2 billion less than originally projected. This shortfall persists into the out-years, with deficits projected to remain between $10 billion and $20 billion annually. The Governor has attributed the downturn to

declining capital gains taxes and the tumultuous economic environment created by the Trump Administration's tariffs.

To close the deficit, the Governor proposes a variety of healthcare-related spending cuts, including freezing Medi-Cal enrollment and charging enrollees $100 premiums. The Governor is also proposing to shift $1.5 billion to $1.9 billion in operational costs for CalFire from the General Fund to the Greenhouse Gas Reduction Fund, which is funded by the state's Cap-and-Trade program.

Cap-and-Invest:
California's Cap-and-Trade program raises approximately $4 billion to $5 billion annually for a variety of programs that reduce greenhouse gas emissions. This includes the Affordable Housing and Sustainable Communities (AHSC) Program at the Department of Housing & Community Development (HCD), which has provided the Authority with grant funding in the past.

Uncertainty over whether the state would reauthorize the program beyond its current 2030 sunset has driven auction prices down, with annual program revenues expected to come in roughly $1 billion lower than originally projected. The Governor has proposed reauthorizing the program as part of his May Revision and renaming it to Cap-and-Invest, and has asked the Legislature to begin negotiations over changes to how program revenues are spent.

Looking Ahead:
The California Constitution requires the Legislature to pass a budget by June 15th. Legislative leaders are in the process of negotiating the Governor's proposal with one another and are likely to unveil their proposal within the coming two weeks. That would kick off negotiations with the Administration over the final state budget, with all subsequent budget bills and budget trailer bills expected to be signed and adopted by the end of the legislative session in September.

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