



1

2026 Legislative Session: Priority Issues

- Governor's January Budget:**
\$2.9 Billion Deficit
- 2024 Climate Bond**
\$2.1 Billion Proposed Allocation
- Cap and Invest**

Slide 2

The slide has a dark blue header with a compass icon and the title "2026 Legislative Session: Priority Issues". Below the header, three rounded rectangular boxes are stacked vertically, each containing a priority issue. The first box is dark blue with white text, the second is light blue with dark blue text, and the third is dark blue with white text. A dark blue footer bar at the bottom contains the text "Slide 2".

2



2026 Legislative Session: State Budget Picture



\$348.9 Billion
in Total Spending



\$42.3 Billion
in revenues above
projections



\$2.8 Billion
suspension of “true
up” in the Rainy Day
Fund



\$14.4 Billion
remaining in the
Rainy Day Fund



**No New Taxes
Proposed**



May Revision
to make larger
budget decisions

Slide 3

3



2026 Legislative Session Timeline



LEGISLATION



BUDGET

January 5: Reconvene

February 20: Bill introduction deadline

March & April: Policy committees meet

May & June: Appropriations and house of origin deadline

June & July: Second house policy committees meet

July: Summer recess

August 31: End of session

September 30: Deadline for the Governor to act on bills

January: Governor's preliminary budget proposal released

January – April: Advocacy on funding priorities

May: May Revision released

June: Budget Act signed into law

June & August: Budget clean-up legislation

Slide 4

4

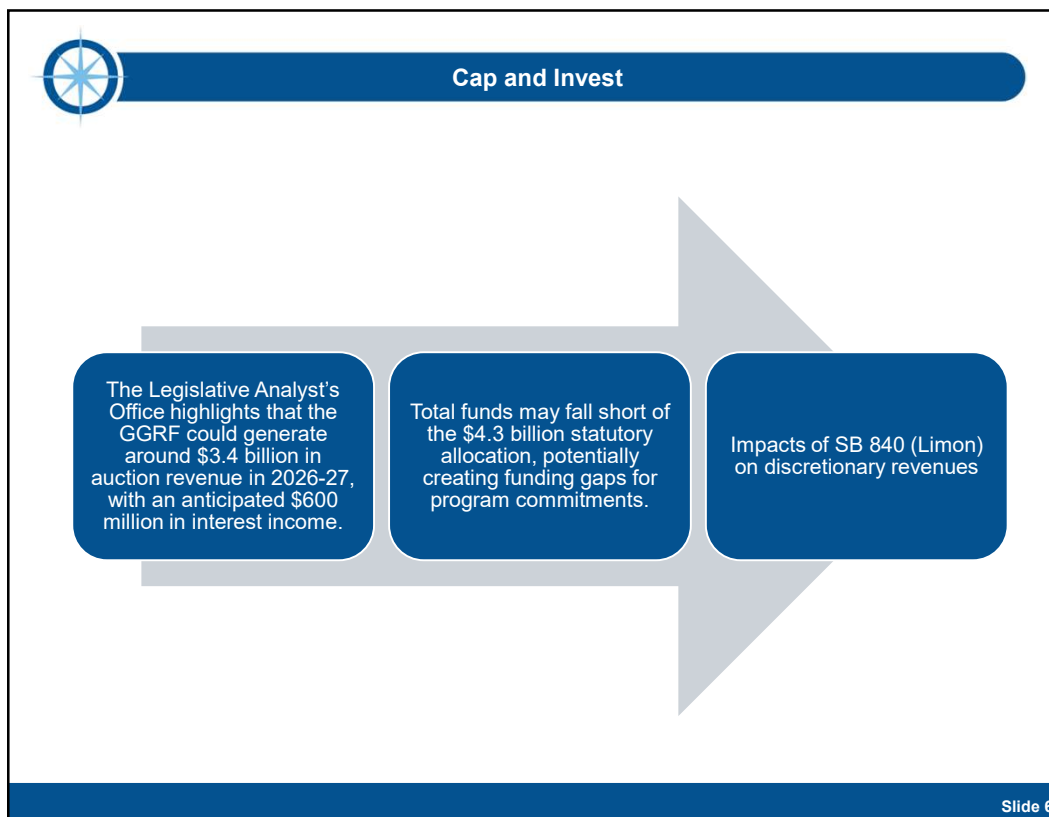


2026 Legislative Session: Climate Bond

CLIMATE BOND EXPENDITURE PLAN		
Investment Category	Bond Allocation	2026-27 Proposed
Safe Drinking Water, Drought, Flood & Water Resilience	\$3.8 billion	\$792 million
Wildfire & Forest Resilience	\$1.5 billion	\$314 million
Coastal Resilience	\$1.2 billion	\$107 million
Extreme Heat Mitigation	\$450 million	\$241 million
Biodiversity & Nature Based Solutions	\$1.2 billion	\$199 million
Climate Smart Agriculture	\$200 million	\$89 million
Outdoor Access	\$700 million	\$35 million
Clean Air & Energy	\$850 million	\$326 million
Total	\$10 billion	\$2.1 billion

Slide 5

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