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**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 list the priority issues: "Governor's January Budget: \$2.9 Billion Deficit", "2024 Climate Bond \$2.1 Billion Proposed Allocation", and "Cap and Invest". The slide number "Slide 2" is in the bottom right corner.


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## 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


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## 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

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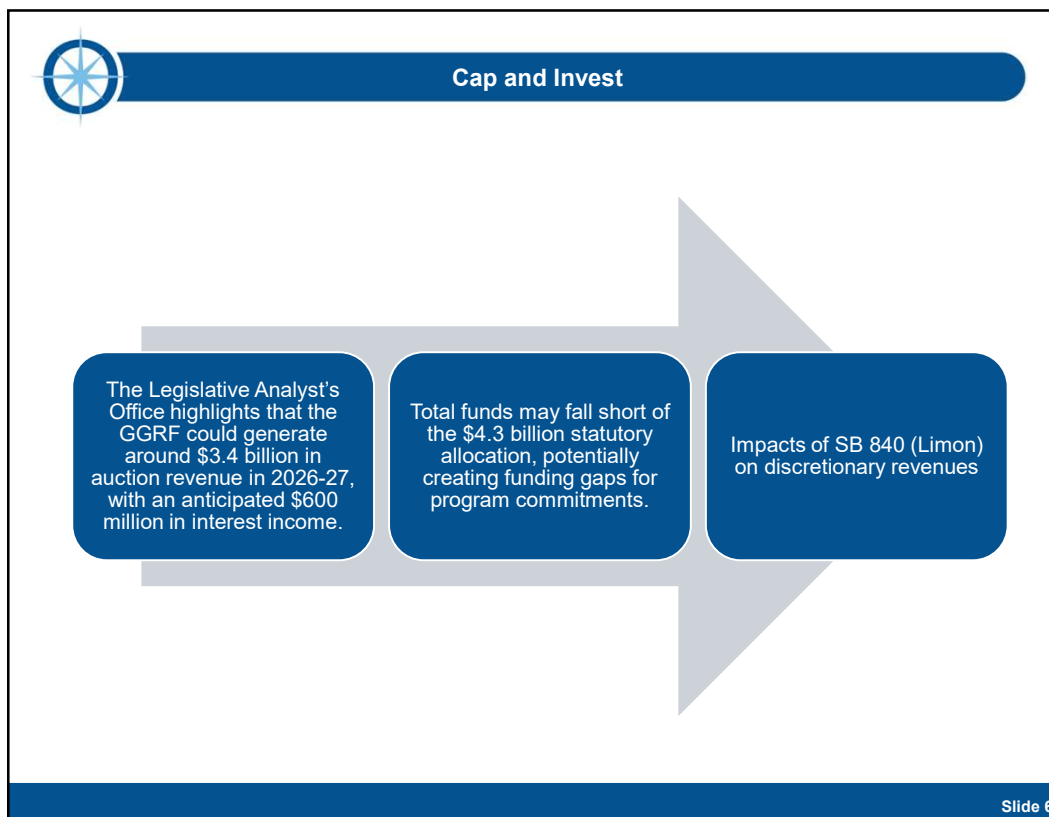


## 2026 Legislative Session: Climate Bond

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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## Townsend Public Affairs



**Cori Takkinen**  
*Vice President & CEO*  
CTakkinen@TownsendPA.com



**Eric O'Donnell**  
*Director*  
EODonnell@townsendpa.com

***California Advocacy | Federal Advocacy | Grant Writing***  
[www.TownsendPA.com](http://www.TownsendPA.com) | (949) 399-9050

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