

END-OF-SESSION STATE GOVERNMENT TRAILER BILL SUMMARY (2026 BUDGET ACT – AB 184)

***Note:** The summary below only highlights items of interest to local health departments.*

VLF Shortfall

- Specifies intent of the Legislature for the state to work collaboratively with representatives from Alpine, Mono, and San Mateo counties, representatives of cities within those counties, and representatives of other potentially impacted cities and counties to develop mutually agreeable legislative and fiscal solutions to the Vehicle License Fee (VLF) revenue shortfall that they counties and cities are experiencing due to the operation of Revenue and Taxation Code 97.70 related to excess Educational Revenue Augmentation Fund (ERAF).
- Specifies intent of the Legislature that any solution enacted be operative beginning in the 2027-28 fiscal year and that any solution apply to all state counties and cities to the extent those counties and cities experience VLF revenue shortfall in any fiscal year beginning with the 2027-28 fiscal year.