



CALIFORNIA COALITION
FOR RURAL HOUSING



PSR-LA
Physicians for Social Responsibility Los Angeles



Joint Statement: California's 2026-2027 Climate Budget Deal

Released September 18, 2026

Our broad coalition of housing, transit, climate, and environmental justice organizations has worked together for two years to encourage the Legislature and this Administration to fund community climate priorities. These priorities are critical to preventing further climate damage while also helping address the affordability, clean air, and clean water needs of thousands of Californians today.

The 2026-2027 budget deal locks in cuts to vital funding for California's climate programs, undermining the agreement made just last year in SB 840.

Recent changes to the Cap-and-Invest program made by the California Air Resources Board significantly reduced funding for climate investments and community priorities while providing incentives to big polluters. We are very grateful for the steadfast leadership we saw in our champions this year: Pro Tem Limón, Senator Reyes, Senator Laird, Assemblymember Connolly, and so many others who advocated to push back on these harmful programmatic changes and protect funding for these critical programs.

We are thankful for the funding that was secured for clean air and clean water programs, as well as important structural reforms to rein in administrative costs. However, we are frustrated that the Legislature did not act to curtail the impact of recent program changes on future climate revenue, and that the Legislature did not act to address deep cuts to affordable housing and public transit - investments that are critical to making the lives of Californians more affordable.

Californians in every community across the state rely on access to public transit and affordable housing. Each new fire and flood that destroys existing homes adds to the pressure on California's already strained affordable housing market. We will not make California more affordable or resilient to climate change without robust, sustained investment in affordable housing that is built close to jobs and other daily needs, and frequent and reliable public transit service. The self-inflicted cycle of increased driving caused by lack of access to affordable housing and public transit will continue to make these issues worse.

We look forward to working with the next governor and the legislature to address these issues with urgency in 2027.

California must find stable funding to sustain operations at Cal Fire outside of the GGFRF, while also protecting long-term funding for all of the "Tier 3" climate investments under SB 840 that are essential to meeting our climate justice and economic needs by investing in the affordable housing, public transit, clean air, and clean water that our communities depend on.

Signed:

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