

Appendix 3, Figure 1

**General Fund Cost Savings Proposed in the  
2025-26 Governor's Budget: Revenue Related**

(In Millions)

Source	Description	2025-26
Corporation Tax	Single Sales Factor for Financial Institutions	\$330

## General Fund Cost Savings Proposed in the 2025-26 Governor's Budget: Spending Related

(In Millions)

Department/ Program	Description	2024-25	2025-26
CDE/CCC	2024-25 Proposition 98 payment delay (settle up)	\$1,565	—
CEC	Demand side grid support shift to Proposition 4	—	\$18
DHCS	Reduce funding for behavioral health bridge housing	—	28
DWR	Dam safety shift to Proposition 4	—	47
DWR	Systemwide flood risk reduction shift to Proposition 4	—	15
LUCI	Extreme heat/community resilience shift to Proposition 4	—	15
OES	Home hardening shift to Proposition 4	—	13
Parks	Stewardship of state lands projects shift to Proposition 4	—	68
Parks	Deferred maintenance shift to Proposition 4	—	14
SWRCB	Water recycling shift to Proposition 4	—	51
WCB	Watershed climate resilience shift to Proposition 4	—	32
<b>Totals</b>		<b>\$1,565</b>	<b>\$301</b>

CDE = California Department of Education; CEC = California Energy Commission; DHCS = Department of Health Care Services; DWR = Department of Water Resources; LUCI = Governor's Office of Land Use and Climate Innovation; OES = Governor's Office of Emergency Services; Parks = Department of Parks and Recreation; SWRCB = State Water Resources Control Board; and WCB = Wildlife Conservation Board.