



Staff Report

TO: City Council
FROM: Elizabeth Gibbs, City Manager
Darron Usher, Principal Management Analyst
DATE: September 2, 2025
SUBJECT: Legislative Update – September 2025

Description: An update on pending state legislation and redistricting measures with potential impacts on the City of Beaumont.

Background and Analysis:

City staff, in coordination with the City's legislative consultants, CPPG and David Turch and Associates, continue to monitor and track bills that could affect City operations, planning, funding, and governance.

A key area of focus in this legislative cycle is redistricting and elections. Several measures could significantly influence representation at both the state and federal levels, including SB 280 (Cervantes) on elections, AB 604 (Aguilar-Curry/L. Gonzalez) on congressional redistricting, and ACA 8, which proposes changes to how congressional districts are drawn. These measures may impact how the City of Beaumont is aligned within legislative and congressional districts. Boundary changes could alter the City's access to state and federal representatives, which in turn affects funding opportunities, advocacy strategies, and partnerships. Ensuring fair district boundaries is critical for maintaining the City's ability to protect its interests and advance its legislative priorities.

In addition to redistricting, several bills are currently under review that have direct or indirect implications for Beaumont at the **State level:**

- **AB 339 (Ortega)** – Increases notice requirements for local public employee organizations, potentially creating additional administrative burdens for cities. *Status: Senate Appropriations. Position: Oppose.*
- **AB 920 (Caloza)** – Establishes a centralized application portal under the Permit Streamlining Act to expedite housing development projects. While it could accelerate housing approvals, it reduces local control. *Status: Senate Appropriations. Position: Watch.*

- **AB 992 (Irwin)** – Relates to peace officer standards and requirements, which may impact local law enforcement operations. *Status: Senate Appropriations, suspense file. Position: Watch.*
- **SB 31 (McNerney)** – Expands regulations related to water quality and recycled water usage, influencing long-term planning for water sustainability. *Status: Assembly Appropriations. Position: Watch.*
- **SB 634 (Pérez)** – Addresses homelessness through new local government requirements without identifying clear funding sources. *Status: Assembly Floor. Position: Oppose.*
- **SB 415 (Reyes)** – Provides regulations for logistics use developments and truck routes, with potential effects on Beaumont’s industrial corridors. *Status: Assembly Appropriations. Position: Neutral.*
- **AB 735 (Carrillo)** – Similar to SB 415, establishes planning and zoning standards for logistics developments and truck routes, potentially affecting regional goods movement. *Status: Senate Appropriations. Position: Neutral.*

Looking ahead, the **September 12 deadline** for the Legislature to pass bills and the **October 12 deadline** for the Governor to act are key dates that will determine the outcome of these measures. City staff and CPPG will continue to monitor legislation and provide updates to the Council.

At the **Federal level**, the following Executive Orders and Public Laws could have an impact on the City:

- **Executive Order: Suspending Duty-Free De Minimis Treatment for All Countries** — Issued Jul 30, 2025. Ends the duty-free <\$800 import exception for most shipments; temporary carve-out for postal shipments until CBP publishes a new process. **City impact:** higher procurement costs and delivery timelines for certain goods; local small e-commerce/importers may face higher costs that could affect sales tax receipts.
- **Executive Order: Improving Oversight of Federal Grantmaking** — Issued Aug 7, 2025. Directs agencies/OMB to tighten NOFO reviews, cap indirect costs preference, add termination-for-convenience clauses, and prohibit discretionary grants that fund certain activities; requires senior-level approval and added drawdown controls. **City impact:** expect new compliance terms, scoring criteria, and monitoring requirements across HHS/HUD/DOT/EPA and others. Grant language, policies, and drawdown procedures should be reviewed and updated.
- **Executive Order: Further Modifying Reciprocal Tariff Rates** — Issued Jul 31, 2025. Raises/adjusts additional ad-valorem tariffs on many trading partners; includes a 15% floor framework for certain EU goods and a 10% rate for non-listed partners, with anti-transshipment penalties. **City impact:** potential cost

increases for fleet, IT hardware, public works materials; consider price-escalation clauses and schedule risk in contracts.

- **VA Home Loan Program Reform Act (Public Law 119-31)** — Signed Jul 30, 2025. Creates a VA “Partial Claim Program” to help prevent veteran mortgage foreclosures and directs loss-mitigation sequencing; boosts authorizations for homeless-veteran programs in FY25–26. **City impact:** may stabilize some veteran households locally and increase access to federal funds for veteran homelessness partners.
- **Filing Relief for Natural Disasters Act (Public Law 119-29)** — Signed Jul 24, 2025. Allows the IRS to extend deadlines for **state-declared** disasters and lengthens mandatory extensions from 60 to **120 days**. **City impact:** useful for resident and business tax relief during wildfires/floods; the City can amplify IRS notices after state declarations.
- **One Big Beautiful Bill Act (Public Law 119-21)** — Signed July 4, 2025. Creates new temporary deductions (e.g., “no tax on tips,” “no tax on overtime,” car-loan interest; extra senior deduction) and accelerates the phase-out of several energy tax credits. Local implications: potential near-term boost to disposable income for hospitality/retail workers; possible pull-forward or slowdown in EV/solar adoption affecting sustainability program uptake and permitting volumes; cuts to Medicaid and the Supplemental Nutrition Assistance Program (SNAP), which will put more pressure on state budgets, which in turn will constrain municipal budgets. City communications may need to update residents on changed credits/deductions.

Fiscal Impact:

The estimated cost of preparing this staff report is \$300.

Recommended Action:

Receive and file.