

CACVSO 2025 CONFERENCE

2025 California
Legislative Update



GOVERNOR'S JANUARY BUDGET

The Governor's budget includes trailer bill language for tax relief for retirement pay compensation for service members military retirement pay or surviving spouses receiving Survivor Benefit Plan compensation.

Would begin in tax year 2025 and through tax year 2029, exclude only up to \$20,000 of qualified income for state tax purposes.

Retirement pay received by a taxpayer from the federal government for services in the uniformed services; and

Annuity payments received by a qualified taxpayer pursuant to a Department of Defense Survivor Benefit Plan.

CACVSO supports this provision.



ASSEMBLY BILLS

SUBTITLE HERE

ACA 5 (SCHIAVO) – PROPERTY TAXATION: VETERANS EXEMPTION

Exempts veterans from property taxes up to the full value of their homes.

Allows simultaneous receipt of the homeowners' exemption and the veterans' exemption.

Requires a 2/3 vote from the Legislature as a Constitutional Amendment.

No state reimbursement for local agencies' lost property tax revenues.

CACVSO is sponsoring this legislation

AB 53 (RAMOS) – PERSONAL INCOME TAXES: MILITARY SERVICES RETIREMENT AND SURVIVING SPOUSE BENEFIT PAYMENT ACT

Military retirees and eligible surviving spouses wouldn't have to pay state income taxes on their military retirement pay or survivor benefits for 10 years.

Excludes military retirement pay and survivor benefit annuities from state income taxes for taxable years 2027 to 2037.

This bill would not reimburse local agencies for lost tax revenue.

Supported by CACVSO.

AB 81 (TA) – VETERANS: MENTAL HEALTH

Mandates funding for an academic study on mental health among women veterans in California.

Report due by June 30, 2029, with findings and recommendations to the Legislature.

Repeals provisions on January 1, 2030.

Supported by CACVSO

AB 88 (TA) – STUDENT FINANCIAL AID: CALGRANTS FOR DEPENDENTS OF VETERANS OUTSIDE OF CALIFORNIA

Extends CalGrant and Middle Class Scholarship eligibility to dependents of service members stationed outside California as long as the service member maintains California residency.

Removes requirements for dependents to be a California resident the time of high school graduation.

Applies to natural or adopted children, stepchildren, or spouses of active-duty service members.

AB 264 (CARRILLO) VETERANS: BENEFITS

Removes prohibition preventing dependents of veterans from receiving state educational benefits while also receiving federal benefits.

Applies to spouses and children of veterans who are totally disabled or were killed during military service.

AB 520 (CASTILLO) –HOMELESSNESS AND MENTAL HEALTH: STATE FUNDING INFORMATION

Would require the Controller to publish and maintain an online search portal regarding state funding for homelessness prevention and mental health services

The bill would require the portal to include funding amounts provided in the current fiscal year and the previous 10 fiscal years

AB 571 (QUIRK-SILVA) – CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) EXEMPTION: GYPSUM CANYON VETERANS CEMETERY

Would speed up the construction of a veterans cemetery in Orange County by skipping some environmental review steps.

Exempts activities and approvals necessary for the completion of the Gypsum Canyon Veterans Cemetery in Orange County from the requirements of the California Environmental Quality Act (CEQA).

Special provision for Orange County: Bill includes legislative findings justifying the need for a special statute specific to this location.

AB 826 (GONZALEZ) – VETERANS' BENEFITS

Spot Bill: Veterans Claims bill

AB 901 (SHARP-COLLINS) – VETERANS' PREFERENCES: ELIGIBLE SPOUSES

Expands veterans' credit in civil service hiring include an active duty service member who achieves a passing score on an entrance exam.

Expands eligibility to the spouse of an active duty service member, widow or widower of a veteran, or spouse of a 100% disabled veteran.

Authorizes employers to grant a preference in hiring and promotion to the eligible spouse of an active duty service member, veteran, widow or widower of a veteran, or spouse of a 100% disabled veteran

No tax implications or state reimbursement required.

AB 1103 (WARD) – CONTROLLED SUBSTANCES: RESEARCH

Allows studies on psychedelics to treat veterans' mental health issues without extra state approval if they're done at Veterans Affairs hospitals.

Exempts psychedelic research studies conducted at Veterans Affairs Administration facilities from approval by the Research Advisory Panel.



SENATE BILLS

SUBTITLE HERE

SCA 4 (ARCHULETA) – PROPERTY TAXATION: VETERANS' EXEMPTION

Would allow veterans to get property tax breaks on their homes even if they are already getting other property tax exemptions.

Authorizes the Legislature to exempt property eligible for the veterans' exemption up to the full value of the property, potentially eliminating property taxes for some veterans.

Requires a 2/3 vote from the Legislature as it is a Constitutional Amendment.

No state reimbursement for local agencies' lost property tax revenues.

SB 1 (SEYARTO) – MILITARY SERVICES RETIREMENT AND SURVIVING SPOUSE BENEFIT PAYMENT ACT

Excludes up to \$20,000 of military retirement pay and survivor benefit annuities from state income taxes.

Applies for taxable years 2025 to 2035.

SB 23 (VALLADARES) – PROPERTY TAXATION EXEMPTION FOR DISABLED VETERAN HOMEOWNERS

Exempts property owned by 100% disabled veterans and their spouses from property taxes.

Unmarried surviving spouse would the same exemption the they would be eligible for if the veteran were alive but requires certain conditions be met.

Requires documentation for county assessors to receive the exemption.

Prohibits receiving other real property tax exemptions if this exemption is claimed.

Effective for property tax lien dates from January 1, 2025, to January 1, 2035.

No state reimbursement for local agencies' lost property tax revenues.

SB 54 (UMBERG) – COURT FEE WAIVERS: VETERANS

Disabled veterans' benefits wouldn't count as income when applying for court fee waivers, making it easier for them to access legal help.

Excludes veterans' disability compensation from monthly income calculations for court fee waivers.

SB 56 (SEYARTO) - PROPERTY TAXATION DISABLED VETERANS EXEMPTION

Disabled veterans wouldn't have their VA disability payments counted as household income when applying for property tax exemptions, making it easier to qualify.

Helps low-income and fixed-income disabled veterans continue to qualify for property tax relief by preventing disability compensation from pushing them over income limits.

Simplifies application and qualification processes for disabled veterans seeking property tax exemptions.

SB 60 (SEYARTO) – PUBLIC POSTSECONDARY EDUCATION: WAIVER OF TUITION AND FEES: CALIFORNIA MILITARY DEPARTMENT GI BILL AWARD PROGRAM: EXTENDED EDUCATION COURSES.

The Donahoe Higher Education Act waives tuition and fees this bill would extend that to UC and CSU extended education programs meeting the requirements of an undergraduate degree program

Prohibits University of California (UC) and California State University (CSU) systems from charging tuition or fees for students who enroll in extended education courses that meet undergraduate degree requirements.

Requires a resolution by UC Regents for implementation, meaning the University of California would need to formally agree to this policy change

SB 67 (SEYARTO) – STUDENT FINANCIAL AID: CALGRANTS: DEPENDENTS OF MEMBERS OF ARMED SERVICES STATIONED OUTSIDE OF CALIFORNIA

Extends CalGrant and Middle Class Scholarship eligibility to dependents of service members stationed outside California as long as the service member maintains California residency.

Removes requirements for dependents to be a California resident the time of high school graduation.

Applies to natural or adopted children, stepchildren, or spouses of active-duty service members.

SB 96 (UMBERG) – VETERANS BENEFITS

Spot bill : Will make changes to the current law where it is a misdemeanor to use funds solicited for the benefit of a veteran for purposes other than those represented in the solicitation.

SB 284: (SEYARTO) - PROPERTY TAXATION: VETERANS

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SB 296 (ARCHULETA) – PROPERTY TAXATION: EXEMPTION DISABLED VETERAN HOMEOWNERS

Exempts property owned by 100% disabled veterans and their spouses from property taxes.

Requires documentation for county assessors to receive the exemption.

Prohibits receiving other real property tax exemptions if this exemption is claimed.

Effective for property tax lien dates from January 1, 2025, to January 1, 2035.

No state reimbursement for local agencies' lost property tax revenues.

SB 519 (ARCHULETA) – VETERANS' CLAIMS

Spot bill: veterans claims

Would ensure guidelines and guard rails established for the processing of veteran benefit claim applications by unlicensed and unaccredited entities.

CACVSO sponsoring this legislation.

SB 604 (ALVARADO-GIL) – VETERANS' BENEFITS: FARM AND HOME PURCHASE

Spot bill: May explore changes to the CalVet Home Loan Program

SB 623 (ARCHULETA) – PROPERTY TAXATION: HOMEOWNERS, VETERANS, AND DISABLED VETERANS' EXEMPTIONS

Would let veterans and disabled veterans get both homeowners' and veterans' property tax exemptions at the same time.

Allows homeowners' exemption to be applied to property on which an owner also receives the veterans' or disabled veterans' exemption.

Removes prohibition on receiving both exemptions simultaneously.

Requires passage of related Senate Constitutional Amendment for implementation.

Effective January 1, 2025, if the amendment is approved.

No state reimbursement for local agencies' lost property tax revenues.

SUMMARY OF CACVSO SUPPORTED BILLS:

ACA 5 (Schiavo) – Property Tax Exemption for Veterans

AB 53 (Ramos) – Income Tax Exemption on Military Retirement Pay

AB 81 (Ta) – Women Veterans' Mental Health Study

SB 1 (Seyarto) – Income Tax Exemption on Military Retirement Pay

SB 519 (Archuleta) – Veterans' Claims and Economic Opportunities

QUESTIONS?

