

Governor Newsom Special Session Proposal

THE PROPOSAL: Governor Newsom and state lawmakers seek to establish a litigation fund to bolster the state's legal resources in response to the incoming federal administration's signaled policy proposals that would harm Californians. The Governor is seeking up to \$25 million for the California Department of Justice (DOJ) and state agencies to defend against unconstitutional or unlawful federal government actions, challenge federal overreach in court, and take administrative actions to reduce potential harm.

Why this matters

The new litigation fund will help safeguard critical funding for disaster relief, health care, and other vital services that millions of Californians depend on daily. It will also position the state to defend against unlawful federal actions that could jeopardize not only tangible resources and the state's economy, but also immeasurable protections, such as access to reproductive health care, access to clean air and water, and fundamental civil rights.

How this helps Californians

From 2017 to 2021, the California DOJ filed 122 lawsuits challenging Trump Administration actions that harmed Californians. The state invested approximately \$42 million to support this litigation. This legal action not only safeguarded California's values and residents but also delivered tangible financial benefits.

- For example, in *just one* successful case, the federal government reimbursed California nearly \$60 million in federal public safety grants as a result of litigation.
- In *another case* won against the Trump administration for delaying energy efficiency standards, the state's victory was estimated to **generate over \$8 billion in energy savings** for consumers over the next three decades.
- In another <u>separate case</u>, the state's litigation protected billions of dollars in federal funding for California's public health care and other federally funded programs that provide crucial health, education, and labor services.

What comes next

Proposed legislation is expected to be introduced in the state Legislature. In the coming weeks, the Legislature has indicated it will hold committee hearings on the legislation. During this process, the Governor will actively collaborate with legislative leaders and the Attorney General to refine and advance the measure. The legislation is expected to reach the Governor's desk and be signed into law before January 20, 2025.