

New Fiscal Training Requirements for Local Agency Officials

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Effective January 1, 2026, Assembly Bill (AB) 640 and Senate Bill (SB) 827 will require school boards, city councils, county boards of supervisors, and special district governing boards, as well as elected and certain administrative officers of cities, counties, and special districts, to receive mandatory training on budgetary and financial legal matters specific to each type of agency.

AB 640: Local Educational Agency Official – School Finance Training

Who must complete the training: All local educational agency officials (LEA officials), meaning members of the governing boards of school districts, county offices of education, and charter schools (including governing bodies of entities managing charter schools), are subject to the new training requirement.

Training content: The required training must include legal requirements pertaining to the content and adoption of an annual budget and fiscal penalties for noncompliance. The Fiscal Crisis & Management Assistance Team (FCMAT) will develop a curriculum by October 1, 2026, that will be posted to FCMAT's website.

Training deadlines: For LEA officials in service as of April 1, 2027, the training must be completed before April 1, 2028. For LEA officials who begin service on or after April 1, 2027, or former LEA officials set to begin a non-consecutive term after that date, the training must be completed within one year of the initial date of service.

SB 827: Local Agency Official – Fiscal and Financial Training

Who must complete the training: For cities, counties, and special districts, "local agency officials" includes members of the local agency's governing body, as well as elected officers, department heads or other similar administrative officers, and employees designated to receive the training by the local agency governing body.

Training content: The "fiscal and financial training" curriculum must include financial administration and short- and long-term fiscal management, mechanisms for local agency revenues, pension and other postemployment benefits, laws relevant to the local agency's procurement and contracting practices and responsibilities, and the ethics of safeguarding public resources.

Training deadlines: The trainings must be completed by no later than six months from the first date of service for new local agency officials seated after January 1, 2026. For current local agency officials, the deadline is January 1, 2028. Training is to be completed periodically once every two years.

Takeaways

If you have any questions about the requirements of AB 640 or SB 827 and how they apply to your organization, or would like to discuss strategies for meeting the new training obligations, or for any questions about public finance matters in general, please contact the authors of this Client News Brief or an attorney at one of our [eight offices](#) located statewide.

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