



RELATED PRACTICES

California Governmental Ethics
California City Attorney
Public Law

RELATED PEOPLE

Joaquin Vazquez

Public Law Update - SB 827: Expansion of Mandatory Training for Local Agency Officials

Background and Purpose

SB 827 updates and expands California’s mandatory training framework for local agency officials, including cities (including charter cities), counties, charter counties, school districts, county offices of education, charter schools, and special districts.^[1]

Under existing law (“AB 1234”),^[2] any member of a local agency legislative body or elected official receiving any compensation, salary, stipend, or expense reimbursement—along with designated employees—must complete two hours of ethics training every two years.

SB 827 makes two major changes. First, it expands who must receive ethics training, ensuring that department heads and similar administrative officers of all types of local agencies are included within the AB 1234 framework. Second, it creates a new, standalone fiscal and financial training mandate for a broad range of local agency officials

Before SB 827, there was no statewide fiscal and financial training requirement for local agency officials. The Legislature adopted this new mandate in response to repeated audit findings of local fiscal mismanagement and expressly declared local fiscal stewardship a matter of statewide concern, making these requirements applicable across local agencies covered by the statute.

Expanded AB 1234 Ethics Training Requirements

SB 827 broadens the definition of “local agency official”^[3] to include **department heads and similar administrative officers** of any local agency. The bill specifies that such officers include a superintendent of a school district, the county superintendent of schools, or the chief administrator of a charter school.^[4]

Beginning January 1, 2026, officials who commence service must complete their initial two-hour ethics training within six months of assuming office. The two-year renewal cycle remains unchanged.

Local agencies must maintain ethics training records for five years, and these records are public under the California Public Records Act.

By July 1, 2026, each agency with a website must post clear instructions and contact information explaining how the public may request training records.

Officials who serve more than one local agency may satisfy the ethics-training requirement once every two years, provided a copy of the completion certificate is given to each agency served.

New Fiscal and Financial Training Requirements for Local Agency Officials

SB 827 creates a new statewide baseline for fiscal competency for local agencies, including cities (including charter cities), counties, charter cities, charter counties, and special districts.[5] The definition of an applicable “local agency” for this fiscal and financial training is narrower than that used for the AB 1234 ethics training and does not include school districts, county offices of education, or charter schools.

The bill requires at least two hours of fiscal and financial training every two years for “local agency officials”, [6] which includes: [7]

- Legislative body members; [8]
- Elected officers;
- Governing body-appointed officials who make fiscal, budgeting, or public resource use decisions or recommendations as part of their official duties;
- Executives and similar administrative officers; and
- Employees designated by the governing body.

This fiscal training requirement is new under SB 827. The training content must include: [9]

- Financial administration roles and responsibilities;
- Financial policies and fiscal management;
- Municipal budgets and budget processes;
- Financial reporting and auditing;
- Capital financing and debt management;
- Local agency revenue mechanisms;
- Pensions and other postemployment benefits (“OPEB”);
- Cash management and investments, including the prudent investor standard;
- Ethics of safeguarding public resources;
- General fiscal and financial planning principles tied to the official’s role;
- Laws relevant to overseeing agency operations; and

- Laws and practices related to procurement and contracting responsibilities.

Training may be completed in person, online, or via self-study materials with testing. Providers must develop content in consultation with recognized experts in local government finance and must issue proof of participation.

Deadlines:

- Officials in service before January 1, 2026 must complete the fiscal training by January 1, 2028.
- Officials who begin service on or after January 1, 2026 must complete training within six months from the first day of service.
- Thereafter, training repeats every two years.

Officials serving multiple agencies must complete fiscal training only once every two years but must provide proof to each agency. Certain officials already compliant with existing financial training requirements specific to their positions are exempt from this training requirement.

Training Administration and Recordkeeping

SB 827 establishes consistent administrative requirements for both ethics and fiscal training:

- Local agencies must provide information about available fiscal training at least once annually to local agency officials.
- Local agencies must retain ethics and fiscal training records for five years.
- By July 1, 2026, local agency websites must include posted instructions and contact information for requesting these records.

Practical Impact for Local Agency Clerks and Administrators

SB 827 establishes a dual training structure for local officials: enhanced ethics training and a new fiscal training requirement. Implementation will involve:

- Updating training policies and onboarding materials;
- Ensuring tracking systems record both ethics and fiscal training dates;
- Coordinating with human resources or management staff regarding designated employees;
- Preparing website content to meet the July 1, 2026 posting

requirements; and

- Collecting proof-of-completion from officials.

Burke, Williams & Sorensen, LLP regularly advises clients on legal matters relating to public law.

[1] § 53234(b): “Local agency” means a city, county, city and county, charter city, charter county, charter city and county, school district, county office of education, charter school, or special district; All citations are to the California Government Code.

[2] § 53234 et seq.

[3] § 53234(c).

[4] § 53234(c)(2)(A).

[5] § 53238(c): “Local agency” means a city, county, city and county, charter city, charter county, charter city and county, or special district.

[6] § 53238(d).

[7] § 53238, et seq.

[8] Under § 53238(b), “legislative body” is as defined in the Brown Act in § 54952.

[9] § 53238(a).

All materials have been prepared for general information purposes only to permit you to learn more about our firm, our services and the experience of our attorneys. The information presented is not legal advice, is not to be acted on as such, may not be current and is subject to change without notice.