

New Ethics Training Rules for Local Agency Officials: What You Need to Know

By Steve Huntley, CPFO, Senior Portfolio Strategist
Chandler Asset Management



California Senate Bill 827: Summary

California Senate Bill 827 (SB 827), signed into law in October 2025, significantly expands mandatory training requirements for local agency officials beginning January 1, 2026¹. The legislation broadens existing ethics training obligations to include biennial fiscal and financial training for a wider range of public officials and staff within six months of commencing service. Agencies must also update onboarding, tracking, and disclosure processes to remain compliant and reduce legal and reputational risk.

Three Key Provisions

1. Expansion of Ethics Training (AB 1234)
2. New Fiscal and Financial Training Requirements
3. Transparency and Record Keeping Obligations

Details of each provision are provided on page 3.

Background and Intent

The California Legislature enacted SB 827 in response to statewide concerns regarding local government mismanagement, ethical lapses, and insufficient fiscal and financial oversight as a preventative governance measure (much like the existing AB 1234). Building upon the AB 1234 ethics training framework, the Legislature broadened the audience required to take ethics training to include not only elected officials but also senior administrative leaders and “designated staff” with fiscal and financial influence and/or responsibilities. This expanded group must now also receive training in public fiscal and financial principles. It is up to the local agency to define who fits in the “designated staff” category.

Impacts and recommended actions



¹ SB 827 amends Sections 53234, 53235.1, and 53235.2, and adds Article 2.4.6, commencing with Section 53238, to Chapter 2 of Part 1 of Division 2 of Title 5 of the Government Code.

Impacts for California Public Agencies

SB 827 has several practical impacts that will require proactive planning for this new mandate:

- Expanded coverage significantly increases the number of employees and officials potentially subject to mandatory training.
- Accelerated timelines require faster onboarding compliance for new hires, elected officials, and appointees.
- Increased operational burdens of staff responsible for tracking, documenting, and disclosing training completion requirements.
- Demand for more time and resources related to the development and maintenance of training materials internally and/or hiring of external consultants to facilitate training.
- Greater risk exposure if agencies fail to comply, given heightened public transparency and records retention requirements.

Recommended Actions

To prepare for and comply with SB 827, public agencies should consider the following actions in consultation with their legal counsel:

- **Update training policies** to formally identify all positions subject to expanded ethics and fiscal and financial training requirements.
- **Revise internal onboarding and reappointment processes** to incorporate new, shorter ethics and fiscal and financial training deadlines.
- **Implement or enhance training tracking systems** for training completion dates, providers, and documentation for at least five years.
- **Evaluate external and internal training options** to ensure content meets statutory requirements and provides proof of participation.
- **Prepare for new public disclosure requirements** by updating agency websites and public records procedures to comply with the July 1, 2026 posting and disclosure requirements.



Key Provisions of SB 827

1. Expansion of Ethics Training (AB 1234)

a. Effective January 1, 2026, SB 827 expands mandatory ethics training by:

- Applying to “designated staff” in addition to department heads, similar administrative officers, elected officials, and members of legislative bodies.
- Accelerating the training timeline of officials assuming office, on or after January 1, 2026, to within six months of starting service (previously it was one year).

Officials already serving as of January 1, 2026 must complete their new fiscal and financial training requirement by January 1, 2028. Expanded ethics training must continue every two years thereafter, with agencies retaining completion records for at least five years and publishing clear instructions and contact information for public records requests.

2. New Fiscal and Financial Training Requirements

a. SB 827 establishes a new, mandatory fiscal and financial training requirement for covered officials defined in five categories:

1. Elected officers
2. Members of local agency legislative bodies
3. Appointed officials or employees who make or influence decisions related to financial administration, budgeting, or public resources
4. Local agency executives and
5. Designated staff (new category)

b. Covered individuals in all categories must complete at least two hours of fiscal and financial training every two years. The ten required subject areas include:

1. Financial administration
2. Budgeting
3. Reporting
4. Capital financing
5. Debt management
6. Pensions
7. Cash management and investments
8. Fiscal and financial planning
9. Procurement and contracting
10. Related laws

c. Agencies may contract with qualified training providers or develop internal programs, provided that participants receive proof of completion either way.

3. Transparency and Recordkeeping Obligations

a. SB 827 imposes new administrative obligations on public agencies by requiring:

1. Training completion records to be maintained for no less than five years.
2. Training records to be made available for disclosure under the California Public Records Act, with agencies required to provide clear public-facing instructions for access on their website.

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