



SOUTHERN CALIFORNIA
ASSOCIATION OF GOVERNMENTS
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www.scag.ca.gov

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Deborah Robertson, Rialto

Transportation
Ray Marquez, Chino Hills

REMOTE PARTICIPATION ONLY

LEGISLATIVE/ COMMUNICATIONS AND MEMBERSHIP COMMITTEE

Tuesday, January 17, 2023
8:30 a.m. – 10:00 a.m.

To Attend and Participate on Your Computer:
<https://scag.zoom.us/j/805439887>

To Attend and Participate by Phone:
Call-in Number: 1-669-900-6833
Meeting ID: 805 439 887

*Please see next page for detailed
instructions on how to participate in the meeting.*

PUBLIC ADVISORY

Given the declared state of emergency (pursuant to State of Emergency Proclamation dated March 4, 2020) and local public health directives imposing and recommending social distancing measures due to the threat of COVID-19, and pursuant to Government Code Section 54953(e)(1)(A), the meeting will be held telephonically and electronically.

If members of the public wish to review the attachments or have any questions on any of the agenda items, please contact Kevin Gilhooley at (213) 236-1878 or via email at gilhooley@scag.ca.gov. Agendas & Minutes are also available at: www.scag.ca.gov/committees.

SCAG, in accordance with the Americans with Disabilities Act (ADA), will accommodate persons who require a modification of accommodation in order to participate in this meeting. SCAG is also committed to helping people with limited proficiency in the English language access the agency's essential public information and services. You can request such assistance by calling (213) 630-1420. We request at least 72 hours (three days) notice to provide reasonable accommodations and will make every effort to arrange for assistance as soon as possible.



Instructions for Public Comments

You may submit public comments in two (2) ways:

1. **In Writing:** Submit written comments via email to: ePublicComment@scag.ca.gov by 5pm on Friday, January 13, 2023. You are **not** required to submit public comments in writing or in advance of the meeting; this option is offered as a convenience should you desire not to provide comments in real time as described below.

All written comments received after 5pm on Friday, January 13, 2023 will be announced and included as part of the official record of the meeting.

2. **In Real Time:** If participating in real time via Zoom or phone, during the Public Comment Period (Matters Not on the Agenda) or at the time the item on the agenda for which you wish to speak is called, use the “raise hand” function on your computer or *9 by phone and wait for SCAG staff to announce your name/phone number. SCAG staff will unmute your line when it is your turn to speak. Limit oral comments to 3 minutes, or as otherwise directed by the presiding officer. For purpose of providing public comment for items listed on the Consent Calendar, please indicate that you wish to speak when the Consent Calendar is called; items listed on the Consent Calendar will be acted on with one motion and there will be no separate discussion of these items unless a member of the legislative body so requests, in which event, the item will be considered separately.

If unable to connect by Zoom or phone and you wish to make a comment, you may submit written comments via email to: ePublicComment@scag.ca.gov.

In accordance with SCAG’s Regional Council Policy, Article VI, Section H and California Government Code Section 54957.9, if a SCAG meeting is “willfully interrupted” and the “orderly conduct of the meeting” becomes unfeasible, the presiding officer or the Chair of the legislative body may order the removal of the individuals who are disrupting the meeting.

OUR MISSION

To foster innovative regional solutions that improve the lives of Southern Californians through inclusive collaboration, visionary planning, regional advocacy, information sharing, and promoting best practices.

OUR VISION

Southern California’s Catalyst for a Brighter Future

OUR CORE VALUES

Be Open | Lead by Example | Make an Impact | Be Courageous



Instructions for Participating in the Meeting

SCAG is providing multiple options to view or participate in the meeting:

To Participate and Provide Verbal Comments on Your Computer

1. Click the following link: <https://scag.zoom.us/j/805439887>
2. If Zoom is not already installed on your computer, click “Download & Run Zoom” on the launch page and press “Run” when prompted by your browser. If Zoom has previously been installed on your computer, please allow a few moments for the application to launch automatically.
3. Select “Join Audio via Computer.”
4. The virtual conference room will open. If you receive a message reading, “Please wait for the host to start this meeting,” simply remain in the room until the meeting begins.
5. During the Public Comment Period, use the “raise hand” function located in the participants’ window and wait for SCAG staff to announce your name. SCAG staff will unmute your line when it is your turn to speak. Limit oral comments to 3 minutes, or as otherwise directed by the presiding officer.

To Listen and Provide Verbal Comments by Phone

1. Call **(669) 900-6833** to access the conference room. Given high call volumes recently experienced by Zoom, please continue dialing until you connect successfully.
2. Enter the **Meeting ID: 805 439 887**, followed by #.
3. Indicate that you are a participant by pressing # to continue.
4. You will hear audio of the meeting in progress. Remain on the line if the meeting has not yet started.
5. During the Public Comment Period, press *9 to add yourself to the queue and wait for SCAG staff to announce your name/phone number. SCAG staff will unmute your line when it is your turn to speak. Limit oral comments to 3 minutes, or as otherwise directed by the presiding officer.

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LCMC - Legislative/Communications and Membership Committee
Members – January 2023

- 1. Hon. Jose Luis Solache**
LCMC Chair, Lynwood, RC District 26
- 2. Hon. Patricia Lock Dawson**
LCMC Vice Chair, Riverside, RC District 68
- 3. Hon. Cindy Allen**
Long Beach, RC District 30
- 4. Hon. Margaret Finlay**
Duarte, RC District 35
- 5. Sup. Curt Hagman**
San Bernardino County
- 6. Hon. Jan C. Harnik**
RCTC Representative
- 7. Hon. Clint Lorimore**
Eastvale, RC District 4
- 8. Hon. Ray Marquez**
Chino Hills, RC District 10
- 9. Hon. Deborah Robertson**
Rialto, RC District 8
- 10. Hon. David J. Shapiro**
Calabasas, RC District 44
- 11. Sup. Donald Wagner**
Orange County
- 12. Hon. Alan Wapner**
SBCTA Representative

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LEGISLATIVE/COMMUNICATIONS AND MEMBERSHIP COMMITTEE AGENDA

Southern California Association of Governments
Remote Participation Only
Tuesday, January 17, 2023
8:30 AM

The Legislative/Communications and Membership Committee may consider and act upon any of the items listed on the agenda regardless of whether they are listed as information or action items.

CALL TO ORDER AND PLEDGE OF ALLEGIANCE

(The Honorable Jose Luis Solache, Chair)

PRESENTATION

(Mr. Joe Stephenshaw, Director, California Department of Finance)

PUBLIC COMMENT PERIOD (Matters Not on the Agenda)

This is the time for persons to comment on any matter pertinent to SCAG's jurisdiction that is **not** listed on the agenda. Although the committee may briefly respond to statements or questions, under state law, matters presented under this item cannot be discussed or acted upon at this time. Public comment for items listed on the agenda will be taken separately as further described below.

General information for all public comments: Members of the public are encouraged, but not required, to submit written comments by sending an email to: ePublicComment@scag.ca.gov by 5pm on Friday, January 13, 2023. Such comments will be transmitted to members of the legislative body and posted on SCAG's website prior to the meeting. Any writings or documents provided to a majority of the Legislative/Communications and Membership Committee regarding any item on this agenda (other than writings legally exempt from public disclosure) are available at the Office of the Clerk, located at 900 Wilshire Blvd., Suite 1700, Los Angeles, CA 90017 during normal business hours and/or by contacting the office by phone, (213) 630-1420, or email to aguilarm@scag.ca.gov. Written comments received after 5pm on Friday, January 13, 2023, will be announced and included as part of the official record of the meeting. Members of the public wishing to verbally address the Legislative/Communications and Membership Committee in real time during the meeting will be allowed up to a total of 3 minutes to speak on items on the agenda, with the presiding officer retaining discretion to adjust time limits as necessary to ensure efficient and orderly conduct of the meeting. The presiding officer has the discretion to equally reduce the time limit of all speakers based upon the number of comments received. If you desire to speak on an item listed on the agenda, please wait for the chair to call the item and then indicate your interest in offering public comment by either using the "raise hand" function on your computer or pressing *9 on your telephone. For purpose of providing public comment for items listed on the Consent Calendar (if there is a Consent Calendar), please indicate that you wish to speak when the Consent Calendar is called; items listed on the Consent Calendar will be acted upon with one motion and there will be no separate discussion of these items unless a member of the legislative body so requests, in which event, the item will be considered separately.

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REVIEW AND PRIORITIZE AGENDA ITEMS

CONSENT CALENDAR

Approval Items

1. Minutes of the Meeting – December 20, 2022 PPG. 6
2. SCAG Memberships and Sponsorships PPG. 12

Receive and File

3. Legislative Tracking Report PPG. 15
4. LCMC 2023 Calendar of Meetings PPG. 25

INFORMATION ITEM

5. 2023-24 State Budget Update PPG. 28
(Francisco J. Barajas, Legislative Analyst)
6. 2023 State Legislative Outlook and Legislative Priorities PPG. 45
(Kevin Gilhooley, Legislation Manager)

POLICY AND PUBLIC AFFAIRS DIVISION UPDATE

(Javiera Cartagena, Chief Government and Public Affairs Officer)

FUTURE AGENDA ITEMS

ANNOUNCEMENTS

ADJOURNMENT



Southern California Association of Governments
Remote Participation Only
January 17, 2023

LEGISLATIVE/COMMUNICATIONS AND MEMBERSHIP COMMITTEE (LCMC)
MINUTES OF THE MEETING
TUESDAY, DECEMBER 20, 2022

THE FOLLOWING MINUTES ARE A SUMMARY OF ACTIONS TAKEN BY THE LEGISLATIVE/COMMUNICATIONS AND MEMBERSHIP COMMITTEE (LCMC). A DIGITAL RECORDING OF THE MEETING IS AVAILABLE AT: <http://scag.iqm2.com/Citizens/>.

The Legislative/Communications and Membership Committee (LCMC) of the Southern California Association of Governments (SCAG) held its regular meeting virtually (telephonically and electronically), given the declared state of emergency (pursuant to the State of Emergency Proclamation dated March 4, 2020) and local public health directives imposing and recommending social distancing measures due to the threat of COVID-19, and pursuant to Government Code Section 54953(e)(1)(A). A quorum was present.

MEMBERS PRESENT

Jose Luis Solache (Chair)	<i>Lynwood</i>	District 26
Patricia Lock Dawson	<i>Riverside</i>	District 68
Margaret Finlay	<i>Duarte</i>	District 35
Jan Harnik		RCTC
Clint Lorimore	<i>Eastvale</i>	District 4
Ray Marquez	<i>Chino Hills</i>	District 10
Deborah Robertson	<i>Rialto</i>	District 8
David J. Shapiro	<i>Calabasas</i>	District 44
Alan Wapner		SBCTA

MEMBERS NOT PRESENT

Cindy Allen	<i>Long Beach</i>	District 30
Curt Hagman		San Bernardino County
Donald P. Wagner		Orange County

CALL TO ORDER

Chair Jose Luis Solache called the meeting to order at 8:30 a.m. and called upon Hon. Alan Wapner, SBCTA, to lead the Pledge of Allegiance. Staff confirmed that a quorum was present.

PUBLIC COMMENT PERIOD ON NON-AGENDA ITEMS

Chair Solache opened the Public Comment Period for items not listed on the agenda and outlined the instructions for public comments. He noted that this was the time for persons to comment on any matter pertinent to SCAG's jurisdiction not listed on the agenda.

SCAG staff confirmed that no public comments were submitted via email to ePublicComment@scag.ca.gov or any raised hands. Seeing and hearing no public comment speakers, Chair Solache closed the Public Comment Period.

REVIEW AND PRIORITIZE AGENDA ITEM

There were no prioritized agenda items.

CONSENT CALENDAR

Approval Item

1. Minutes of the Meeting – November 15, 2022
2. SCAG Memberships and Sponsorships

Receive and File

3. Legislative Tracking Report
4. 13th Annual Southern California Economic Summit – Post-Event-Recap
5. Legislative Advocacy Update

Chair Solache opened the Public Comment Period for Consent Calendar Items 1 through 5. Seeing and hearing no public comment speakers, Chair Solache closed the public comment period.

Chair Solache opened the floor to the committee members for questions or comments.

A MOTION was made (Shapiro) to approve Consent Calendar Items 1 through 5. The MOTION was SECONDED (Marquez) and APPROVED by a majority roll call vote as follows:

AYES: Harnik, Lock Dawson, Lorimore, Marquez, Robertson, Shapiro, Solache, and Wapner (8)

NOES: None (0)

ABSTAINS: None (0)

INFORMATION ITEM

6. Federal Midterm Elections and IIJA Updates

Chair Solache opened the Public Comment Period for Item 6. Seeing and hearing no public comment speakers, Chair Solache closed the public comment period.

Mr. Francisco J. Barajas, Legislative Analyst, began his remarks by mentioning today's agenda would include a fact sheet that the white house released regarding the funds that were allocated from the Infrastructure Investment and Jobs Act (IIJA) to the State of California in honor of its one-year anniversary and noted Ms. Lauri Hettinger and Leslie Pollner, Senior Policy Advisors of Holland and Knight, would be providing an update on the Federal Midterm Elections.

Ms. Hettinger and Ms. Pollner gave the committee a presentation on the results of the federal elections and their implications on House and Senate leadership in key committees for the 2023 legislative session.

Chair Solache opened the floor to the committee members for questions or comments. With no questions or comments from the committee, Chair Solache moved on to item 7.

ACTION ITEM

7. 2023 SCAG Legislative Platform

Chair Solache opened the Public Comment Period for Item 7. Seeing and hearing no public comment speakers, Chair Solache closed the public comment period.

Mr. David Angel, Legislative Analyst, gave the committee members a presentation on the 2023 Legislative Platform to help guide the committee on the new changes. Mr. Angel provided context on the State & Federal Legislative Platform, spoke on the Platform update process, and provided details on directions staff received from the LCMC during last month's meeting, including the recommendations by SCAG partners. He also indicated staff recommended the LCMC approve this item. Mr. Angel turned it over to Mr. Gilhooley, Legislation Manager, who read through the policy statement that would be included as a preface to the State section in the Legislative Platform, which addresses the encroachment from the State on local land use authority.

Chair Solache opened the floor to the committee members for questions or comments.

Committee members engaged in a robust discussion, providing feedback on the proposed changes to the Legislative Platform and the Policy Statement. During the discussion, President Jan Harnik and Chair Jose Luis Solache recommended additional verbiage be added to the Policy Statement that would be included in the Legislative Platform.

A MOTION was made (Robertson) to APPROVE staff recommendation of item 7 with the changes outlined by President Harnik and Chair Solache. The MOTION was SECONDED (Finlay) and APPROVED by a majority roll call vote as follows:

AYES: Finlay, Harnik, Lock Dawson, Lorimore, Marquez, Robertson, Shapiro, Solache, and Wapner (9)

NOES: None (0)

ABSTAIN: None (0)

POLICY AND PUBLIC AFFAIRS DIVISION UPDATE

Ms. Javiera Cartagena, Director of Government and Public Affairs, began her remarks by sharing that SCAG's state lobbyist, Cruz Strategies, has been working hard at arranging virtual outreach meetings with members of our region's legislative delegation. She mentioned President Harnik and the Board Officers met with State Senators Rosalicie Ochoa-Bogh (R-Rancho Cucamonga) and Steven Bradford (D-Gardena) and with Assemblymembers Tina McKinnor (D-Inglewood), Mike Fong (D-San Gabriel), Vince Fong (R-Bakersfield), and Freddie Rodriguez (D-Chino).

Ms. Cartagena also provided a status update on SCAG's Legislative Advocacy trip proposed for Spring of 2023. She noted that staff is working on putting this trip together and will update the committee on the dates soon.

Ms. Cartagena also provided the Committee Members with a brief update and highlights of SCAG's Economic Summit that was held on December 1st at the Sheraton Grand Los Angeles Hotel.

Ms. Cartagena concluded her report by speaking on the vacancies in the Regional Council due to elections or members not seeking re-election and sought the Committee's help in recruiting their colleagues to SCAG.

Chair Solache opened the floor to the committee members for questions or comments.

Hon. Deborah Robertson introduced her intern, Mr. Owen Knapper, a student at Berkeley. Hon. Robertson also commented on several legislative priorities.

FUTURE AGENDA ITEMS

There were no future agenda items.

ANNOUNCEMENTS

There were no announcements.

ADJOURNMENT

There being no further business, Chair Solache adjourned the Legislative/Communications and Membership Committee meeting at 9:33 a.m.

[MINUTES ARE UNOFFICIAL UNTIL APPROVED BY THE LEGISLATIVE/COMMUNICATIONS AND
MEMBERSHIP COMMITTEE]

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Legislative / Communications and Membership Committee

2022-2023																	Total Mtgs Attended YTD
MEMBERS	CITY	Representing	MAY	JUN	JULY	AUG	SEPT	OCT (Dark)	NOV	DEC	JAN	FEB	MAR	APR	MAY		
Hon. Peggy Huang, Past Chair		TCA	1		1	1	1		1							5	
Hon. Jose Luis Solache, Chair	Lynwood	District 26	1	1	1	1	1		1	1						7	
Hon. Cindy Allen	Long Beach	District 30	1	1	1		1		1							5	
Hon. Claudia Bill-de la Pena	Thousand Oaks	District 46	1		1				1							3	
Hon. Lorrie Brown	Ventura	District 47														0	
Hon. Margaret Finlay	Duarte	District 35		1	1	1	1			1						5	
Hon. Alex Fisch	Culver City	District 41	1	1	1	1	1									5	
Sup. Curt Hagman		San Bernardino County	1				1	1								3	
Hon. Jan Harnik		RCTC	1	1	1	1	1		1	1						7	
Hon. Patricia Lock Dawson, Vice Chair	Riverside	District 68	1	1	1	1	1		1	1						7	
Hon. Clint Lorimore	Eastvale	District 4	1	1	1	1	1		1	1						7	
Hon. Ray Marquez	Chino Hills	District 10	1	1	1	1	1		1	1						7	
Hon. Mike Posey	Huntington Beach	District 64			1	1										2	
Hon. Deborah Roberston	Rialto	District 8		1			1	1	1	1						5	
Hon. David J. Shapiro	Calabasas	District 44	1	1	1	1	1		1	1						7	
Hon. Cheryl Viegas-Walker	El Centro	District 1	1	1				1	1							4	
Sup. Donald P. Wagner		Orange County		1	1		1	1	1							5	
Hon. Alan Wapner		SBCTA	1	1	1	1	1		1	1						7	



AGENDA ITEM 2
REPORT

Southern California Association of Governments
Remote Participation Only
January 17, 2023

To: Legislative/Communications and Membership Committee (LCMC)

**EXECUTIVE DIRECTOR'S
APPROVAL**

From: David Angel, Legislative Affairs Analyst
(213) 630-1422, angel@scag.ca.gov

Subject: SCAG Memberships and Sponsorships

RECOMMENDED ACTION:

Approve up to \$32,500 to renew SCAG memberships with 1) the National Association of Regional Councils (NARC) (\$27,500) and 2) FuturePorts (\$5,000).

STRATEGIC PLAN:

This item supports the following Strategic Plan Goal 2: Advance Southern California’s policy interests and planning priorities through regional, statewide, and national engagement and advocacy.

EXECUTIVE SUMMARY:

The Legislative/Communications and Membership Committee (LCMC) is asked to approve up to \$32,500 to retain membership with 1) the National Association of Regional Councils (NARC) (\$27,500) and 2) FuturePorts (\$5,000).

BACKGROUND:

Item 1: National Association of Regional Councils (NARC)
Type: Membership **Amount:** \$27,500

The National Association of Regional Councils (NARC) is the leading advocate for Metropolitan Planning Organizations (MPO) in Washington, D.C. NARC serves as the national voice for regionalism by advocating for regional cooperation as the most effective way to address various community planning and development opportunities and issues. NARC’s member organizations are composed of multiple local governments that work together to serve American communities – large and small, urban and rural. NARC regularly provides solutions that positively impact American communities through effective inter-jurisdictional cooperation.

The annual dues are \$27,500. SCAG has been an active member of NARC throughout the years and recommends continuing to do so as this organization is consistent with SCAG’s core responsibilities and Mission. LCMC Member Alan Wapner serves as a Member of the NARC Board of Directors.

Also, President Jan Harnik will attend the 2023 NARC Conference of Regions on January 22 to 25, 2023, in Washington, D.C. As a national public interest organization, NARC works with and through its members to:

- Shape federal policy that recognizes the increased value of local intergovernmental cooperation;
- Advocate effectively for the role of regional councils in the coordination, planning, and delivery of current and future federal programs;
- Provide research and analysis of key national issues and developments that impact members; and
- Offer high-quality learning and networking opportunities for regional organizations through events, training, and technical assistance.

Item 2: FuturePorts

Type: Membership **Amount:** \$5,000

FuturePorts was established in 2005 and serves as a voice for its members in the goods movement supply chain to advocate for a balance between business, environment, and community concerns at the San Pedro Bay Ports (Ports of Los Angeles and Long Beach). Their members represent the entire goods movement supply chain, including businesses that support the goods movement industry and labor and trade unions that work at the ports. Their objective is to ensure a healthy economic and environmental future by supporting green growth at the ports. In the dozen years since it was founded, FuturePorts has positioned itself as a leader in the movement for rational and balanced growth, representing business interests at both the Ports of Los Angeles and Long Beach commission meetings; Los Angeles and Long Beach city council meetings; public hearings; and other community events. They write letters, provide outreach, and engage the support of other business organizations and stakeholders as we work toward common goals of growing and greening our ports.

SCAG has been a sponsor of the annual FuturePorts conference in the past. The growing importance of goods movement to the Southern California economy is making it increasingly necessary for the Agency to maintain its ability to effectively participate in dialogue and discussion on such an important facet of the region's economy.

SCAG staff is recommending that the Agency maintain membership in FuturePorts. This unique membership/sponsorship package, in the amount of \$5,000, includes both membership dues at the "Commodore" level as well as sponsorship of the FuturePorts conference at the "Silver" tier:

Membership dues at the "Commodore" level provide the Agency with the following benefits:

- Eligibility to serve on FuturePorts Board of Directors and Committees;

- Access to member-only communications;
- Reduced registration fee at FuturePorts signature events;
- Three (3) complimentary attendees for all FuturePorts member-only events;
- Recognition at FuturePorts Annual Conference, VIP Reception, and member meetings;
- Opportunity to introduce speaker at member meetings;
- Social media promotion;
- Color logo linked on online membership directory;
- Invitation to policy-maker meetings;
- Premium branding on all communications; and
- Access to custom advocacy.

Sponsorship of the annual FuturePorts conference at the “Silver Level,” which includes:

- Five (5) conference registrations;
- Logo listing in sponsor graphic
- Half-page color ad on Conference Program;
- Tabletop exhibit;
- Listing in Conference mobile app as a Sponsor and Exhibitor;
- Logo listing on PowerPoint “loop” during breaks; and
- Verbal recognition at event.

FISCAL IMPACT:

\$32,500 to retain SCAG memberships with NARC and FuturePorts is included in the approved FY 22-23 General Fund Budget.



AGENDA ITEM 3
REPORT

Southern California Association of Governments
Remote Participation Only
January 17, 2023

To: Legislative/Communications and Membership Committee (LCMC)

**EXECUTIVE DIRECTOR'S
APPROVAL**

From: David Angel, Legislative Affairs Analyst
(213) 630-1422, angel@scag.ca.gov

Subject: Legislative Tracking Report

RECOMMENDED ACTION:

Receive and File

STRATEGIC PLAN:

This item supports the following Strategic Plan Goal 2: Advance Southern California’s policy interests and planning priorities through regional, statewide, and national engagement and advocacy.

EXECUTIVE SUMMARY:

The Legislative Tracking Report is provided to keep the Legislative/Communications and Membership Committee (LCMC) apprised of the bills in Sacramento that have a nexus to the Regional Council’s adopted Legislative Platform. The attached report includes 31 such legislative bills.

BACKGROUND:

SCAG’s Legislative Tracking Report serves as a resource for the Committee to remain informed on bills moving through the legislative process in Sacramento. Currently, the Report tracks 31 measures that have a nexus to the Regional Council’s adopted 2023 State and Federal Legislative Platform.

The California Legislature reconvened on January 4, starting off the 2023-2024 Legislative Session. January 10 was the deadline for the Governor to Submit the Budget. The Governor released his \$297 billion budget blueprint with a projected \$22.5 billion deficit on January 10, which is detailed further in the State Budget Update staff report. The legislative session is quickly headed towards various legislative deadlines, including the last day to submit bills requests to the Office of Legislative Counsel on January 20, 2023. February 17, 2023, is the important bill introduction deadline.

As we start the beginning of the 2023-2024 Legislative Session, staff will continue to provide an updated calendar of legislative deadlines and bill tracker reports with the most relevant and pressing bills. The table below highlights recent and upcoming legislative deadlines:

Date	Deadline
January 1, 2023	Non-urgency legislation signed into law in 2023 takes effect.
January 4, 2023	The Legislature reconvenes.
January 10, 2023	Deadline for the Governor to submit the January Budget.
January 20, 2023	Last day to submit bill requests to the Office of Legislative Counsel.
February 17, 2023	Bill introduction deadline.
March 30, 2023	Spring Recess begins upon adjournment

FISCAL IMPACT:

Work associated with the Legislative Tracking staff report is contained in the Indirect Cost budget, Legislation 810-0120.10.

ATTACHMENT(S):

1. 03a - LCMC - 01172023 - Legislative Tracking Report Bill Report

SCAG Bill Report 1/11/2023

[AB 12](#)

(Haney D) Tenancy: security deposits.

Current Text: Introduced: 12/5/2022 [html](#) [pdf](#)

Introduced: 12/5/2022

Status: 12/6/2022-From printer. May be heard in committee January 5.

Location: 12/5/2022-A. PRINT

Summary: Current law regulates the terms and conditions of residential tenancies, and prohibits a landlord from demanding or receiving security for a rental agreement for residential property, however denominated, in an amount or value in excess of an amount equal to 2 months' rent, in the case of unfurnished residential property, and an amount equal to 3 months' rent, in the case of furnished residential property, in addition to any rent for the first month paid on or before initial occupancy. This bill would instead prohibit a landlord from demanding or receiving security for a rental agreement for residential property in an amount or value in excess of an amount equal to one month's rent, regardless of whether the residential property is unfurnished or furnished, in addition to any rent for the first month paid on or before initial occupancy.

[AB 22](#)

(Gipson D) Mobilehomes: mobile coaches.

Current Text: Introduced: 12/5/2022 [html](#) [pdf](#)

Introduced: 12/5/2022

Status: 12/6/2022-From printer. May be heard in committee January 5.

Location: 12/5/2022-A. PRINT

Summary: Would express the intent of the Legislature to enact legislation that would classify motor coaches that are parked in a mobilehome park for a period of time that satisfies residency requirements as mobilehome properties to give mobile coach owners the ability to build home equity. The bill would state findings and declarations in that regard.

[AB 42](#)

(Ramos D) Tiny homes: fire sprinkler requirements.

Current Text: Introduced: 12/5/2022 [html](#) [pdf](#)

Introduced: 12/5/2022

Status: 12/6/2022-From printer. May be heard in committee January 5.

Location: 12/5/2022-A. PRINT

Summary: Current law prohibits a local agency from requiring an accessory dwelling unit to provide fire sprinklers, if they are not required for the primary residence. This bill would prohibit a local agency from imposing or enforcing any requirement to provide fire sprinklers for any dwelling with a total floor area of less than 500 square feet.

[AB 49](#)

(Soria D) Affordable housing.

Current Text: Introduced: 12/5/2022 [html](#) [pdf](#)

Introduced: 12/5/2022

Status: 12/6/2022-From printer. May be heard in committee January 5.

Location: 12/5/2022-A. PRINT

Summary: Would express the intent of the Legislature to enact legislation that would increase the supply of affordable housing and reduce homelessness.

[AB 57](#)

(Kalra D) California Pocket Forest Initiative.

Current Text: Introduced: 12/6/2022 [html](#) [pdf](#)

Introduced: 12/6/2022

Status: 1/4/2023-Read first time.

Location: 12/6/2022-A. PRINT

Summary: Would establish the California Pocket Forest Initiative in the Department of Forestry and Fire Protection and would authorize the department to coordinate implementation of the initiative in conjunction with the act. Upon an appropriation by the Legislature, the bill would authorize the department to provide grants to cities, counties, districts, nonprofit organizations, and public schools to establish pocket forests on public lands, as provided. The bill would require the department to prioritize disadvantaged communities and communities that lack publicly accessible green space for these grants. The bill would require the department to partner with one or more academic institutions to test, and submit a report on or before January 1, 2030, to the Legislature that evaluates, the applicability and effectiveness of the Miyawaki method, as defined, to restore degraded lands and reforest urban areas in multiple regions throughout California. The bill would repeal these provisions on January 1, 2031.

[AB 59](#)

(Gallagher R) Taxation: renter’s credit.

Current Text: Introduced: 12/6/2022 [html](#) [pdf](#)

Introduced: 12/6/2022

Status: 1/4/2023-Read first time.

Location: 12/6/2022-A. PRINT

Summary: The Personal Income Tax Law authorizes various credits against the taxes imposed by that law, including a credit for qualified renters in the amount of \$120 for spouses filing joint returns, heads of household, and surviving spouses if adjusted gross income is \$50,000, as adjusted, or less, and in the amount of \$60 for other individuals if adjusted gross income is \$25,000, as adjusted, or less. Current law requires the Franchise Tax Board to annually adjust for inflation these adjusted gross income amounts. For 2021, the adjusted gross income limit is \$87,066 and \$43,533, respectively. Current law requires any bill authorizing a new tax credit to contain, among other things, specific goals, purposes, and objectives that the tax credit will achieve, detailed performance indicators, and data collection requirements. This bill, for taxable years beginning on or after January 1, 2022, and before January 1, 2027, would extend the above-described renter’s credit to spouses filing joint returns, heads of household, and surviving spouses if adjusted gross income is \$150,000, as adjusted or less, and for other individuals if adjusted gross income is \$75,000, as adjusted, or less. The bill would, for taxable years beginning on or after January 1, 2023, and before January 1, 2027, require the Franchise Tax Board annually adjust these adjusted gross income amounts for inflation, as described.

[AB 62](#)

(Mathis R) Statewide water storage: expansion.

Current Text: Introduced: 12/6/2022 [html](#) [pdf](#)

Introduced: 12/6/2022

Status: 1/4/2023-Read first time.

Location: 12/6/2022-A. PRINT

Summary: Would establish a statewide goal to increase above- and below-ground water storage capacity by a total of 3,700,000 acre-feet by the year 2030 and a total of 4,000,000 acre-feet by the year 2040. The bill would require the State Water Resources Control Board, in consultation with the Department of Water Resources, to design and implement measures to increase statewide water storage to achieve the statewide goal. The bill would require the state board, beginning July 1, 2027, and on or before July 1 every 2 years thereafter until January 1, 2043, in consultation with the department, to prepare and submit a report to the Legislature on the progress made in designing and implementing measures to achieve the statewide goal.

[AB 67](#)

(Muratsuchi D) Homeless Courts Pilot Program.

Current Text: Introduced: 12/7/2022 [html](#) [pdf](#)

Introduced: 12/7/2022

Status: 1/4/2023-Read first time.

Location: 12/7/2022-A. PRINT

Summary: Current law governs the jurisdiction of various criminal actions and criminal proceedings. Current law also provides various diversion programs, including programs for defendants with cognitive disabilities and programs for defendants who were, or currently are, members of the United States military. This bill, upon an appropriation by the Legislature, would create the Homeless Courts Pilot Program, which would remain in effect until January 1, 2028, to be administered by the Judicial Council for the purpose of providing comprehensive community-based services to achieve stabilization for, and address the specific legal needs of, chronically homeless individuals who are involved with the criminal justice system. The bill would require programs seeking grant funds to provide a number of specified services or program components, including, but not limited to, a diversion program enabling participating defendants to have infraction or misdemeanor charges dismissed upon completion of a program, provision of supportive housing, as defined, during the duration of the program, and a dedicated county representative to assist defendants with housing needs. The bill would require an applicant for grant funding under the program to submit a plan for a new homeless court program or expansion of an existing homeless court program, and would require any funding awarded to an applicant to be used in accordance with that plan.

[AB 68](#)

(Ward D) Housing.

Current Text: Introduced: 12/8/2022 [html](#) [pdf](#)

Introduced: 12/8/2022

Status: 1/4/2023-Read first time.

Location: 12/8/2022-A. PRINT

Summary: The Planning and Zoning Law, requires each city, county, and city and county to prepare and adopt a general plan that contains certain mandatory elements, including a housing element. Current law defines several terms for the purposes of these provisions. This bill would make nonsubstantive changes to those definitions.

[AB 84](#)

(Ward D) Property tax: welfare exemption: affordable housing.

Current Text: Introduced: 12/16/2022 [html](#) [pdf](#)

Introduced: 12/16/2022

Status: 1/4/2023-Read first time.

Location: 12/16/2022-A. PRINT

Summary: Current property tax law, in accordance with the California Constitution, provides for a "welfare exemption" for property used exclusively for religious, hospital, scientific, or charitable purposes and that is owned or operated by certain types of nonprofit entities, if certain qualifying criteria are met. Under current property tax law, property that meets these requirements that is used exclusively for rental housing and related facilities is entitled to a partial exemption, equal to that percentage of the value of the property that is equal to the percentage that the number of units serving lower income households represents of the total number of residential units, in any year that any of certain criteria apply, including that the property be subject to a legal restriction that provides that units designated for use by lower income households are continuously available to or occupied by lower income households, at rents not exceeding specified limits. For the 2018–19 fiscal year through the 2027–28 fiscal year, in the case of an eligible owner of property receiving a low-income housing tax credit under specified federal law, existing property tax law requires that a unit continue to be treated as occupied by a lower income household for these purposes if the occupants were lower income households on the lien date in the fiscal year in which their occupancy of the unit commenced and the unit continues to be rent restricted, notwithstanding an increase in the income of the occupants of the unit to 140% of area median income, adjusted for family size. This bill, beginning with the 2024–25 fiscal year, would remove the requirement that an eligible owner of property receive a low-income housing tax credit and would instead require that a unit continue to be treated as occupied by a lower income household, as described above, if the property is subject to a legal restriction that provides that units designated for use by lower income households are continuously available to or occupied by lower income households, at rents not exceeding specified limits.

SB 7 **(Blakespear D) Homelessness.**

Current Text: Introduced: 12/5/2022 [html](#) [pdf](#)

Introduced: 12/5/2022

Status: 12/6/2022-From printer. May be acted upon on or after January 5.

Location: 12/5/2022-S. RLS.

Summary: Would state the intent of the Legislature to enact legislation regarding homelessness and the regional housing needs allocation.

SB 17 **(Caballero D) Senior housing.**

Current Text: Introduced: 12/5/2022 [html](#) [pdf](#)

Introduced: 12/5/2022

Status: 12/6/2022-From printer. May be acted upon on or after January 5.

Location: 12/5/2022-S. RLS.

Summary: Would state the intent of the Legislature to enact legislation that would create new opportunities for the development of affordable senior housing.

SB 23 **(Caballero D) Water supply and flood risk reduction projects: expedited permitting.**

Current Text: Introduced: 12/5/2022 [html](#) [pdf](#)

Introduced: 12/5/2022

Status: 12/6/2022-From printer. May be acted upon on or after January 5.

Location: 12/5/2022-S. RLS.

Summary: The California Safe Drinking Water Act provides for the operation of public water systems and imposes on the State Water Resources Control Board various duties and responsibilities for the regulation and control of drinking water in the state, including, among other things, overseeing the issuance and enforcement of public water system permits, as provided. Current law authorizes specified works of improvement for the control, conservation, and utilization of destructive flood water and the reclamation and protection of lands that are susceptible to overflow by flood waters. This bill would express the intent of the Legislature to enact subsequent legislation to expedite the regulatory permitting process for water supply and flood risk reduction projects, as provided.

SB 37 **(Caballero D) Tenancy.**

Current Text: Introduced: 12/5/2022 [html](#) [pdf](#)

Introduced: 12/5/2022

Status: 12/6/2022-From printer. May be acted upon on or after January 5.

Location: 12/5/2022-S. RLS.

Summary: Would make findings and declarations relating to senior housing and would state the intent of the Legislature to subsequently amend this bill to include provisions that would enact meaningful tenancy reform to ensure that aging adults can remain safely housed.

SB 48 **(Becker D) Building performance standards.**

Current Text: Introduced: 12/5/2022 [html](#) [pdf](#)

Introduced: 12/5/2022

Status: 12/6/2022-From printer. May be acted upon on or after January 5.

Location: 12/5/2022-S. RLS.

Summary: Would provide that it is the intent of the Legislature to enact subsequent legislation to create building performance standards for improvements in energy efficiency and reductions in the emissions of greenhouse gases in large buildings, including measures to ensure that making the necessary investments to improve these buildings will improve equity and avoid displacement or increased energy burdens, especially in disadvantaged communities.

[SB 49](#)

(Becker D) Tax incentives: solar canopies.

Current Text: Introduced: 12/5/2022 [html](#) [pdf](#)

Introduced: 12/5/2022

Status: 12/6/2022-From printer. May be acted upon on or after January 5.

Location: 12/5/2022-S. RLS.

Summary: Would state the intent of the Legislature to enact legislation to provide tax incentives for the construction of solar canopies over large parking lots to boost the local generation of clean electricity in urban and suburban areas, as specified.

Environment

[AB 9](#)

(Muratsuchi D) California Global Warming Solutions Act of 2006: emissions limit.

Current Text: Introduced: 12/5/2022 [html](#) [pdf](#)

Introduced: 12/5/2022

Status: 12/6/2022-From printer. May be heard in committee January 5.

Location: 12/5/2022-A. PRINT

Summary: The California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. Under the act, the state board is required to approve a statewide greenhouse gas emissions limit equivalent to the statewide greenhouse gas emissions level in 1990 to be achieved by 2020 and to ensure that statewide greenhouse gas emissions are reduced to at least 40% below the 1990 level by no later than December 31, 2030. Under the act, a violation of a rule, regulation, order, emission limitation, emission reduction measure, or other measure adopted by the state board under the act is a crime. This bill instead would require the state board to ensure that statewide greenhouse gas emissions are reduced to at least 55% below the 1990 level by no later than December 31, 2030.

Housing

[AB 11](#)

(Jackson D) Affordable California Commission.

Current Text: Introduced: 12/5/2022 [html](#) [pdf](#)

Introduced: 12/5/2022

Status: 12/6/2022-From printer. May be heard in committee January 5.

Location: 12/5/2022-A. PRINT

Summary: Current law declares that the availability of housing is of vital statewide importance. Current law declares that the provision of housing affordable to low- and moderate-income households requires the cooperation of all levels of government. Current law declares that housing prices in California have risen dramatically in all parts of the state in the past decade, while the wealth gap, especially the racial wealth gap, continues to be a growing problem in California. Existing law establishes various programs for the development and preservation of affordable housing, including the Affordable Housing Revolving Development and Acquisition Program and the California Dream for A Program. This bill would create the Affordable California Commission. The bill would require that the commission be composed of 11 members, including 9 members appointed by the Governor, the Speaker of the Assembly, and the President pro Tempore of the Senate, as provided, and one member each from the Assembly and the Senate, who would serve as ex officio nonvoting members, as specified.

[SB 4](#)

(Wiener D) Planning and zoning: housing development: higher education institutions and religious institutions.

Current Text: Introduced: 12/5/2022 [html](#) [pdf](#)

Introduced: 12/5/2022

Status: 12/6/2022-From printer. May be acted upon on or after January 5.

Location: 12/5/2022-S. RLS.

Summary: Would require that a housing development project be a use by right upon the request of a applicant who submits an application for streamlined approval, on any land owned by an independent

institution of higher education or religious institution on or before January 1, 2024, if the development satisfies specified criteria, including that the development is not adjoined to any site where more than one-third of the square footage on the site is dedicated to industrial use. The bill would define various terms for these purposes. Among other things, the bill would require that 100% of the units, exclusive of manager units, in a housing development project eligible for approval as a use by right under these provisions be affordable to lower income households, except that 20% of the units may be for moderate-income households, provided that all of the units are provided at affordable rent, as set in an amount consistent with the rent limits established by the California Tax Credit Allocation Committee or affordable housing cost, as specified. The bill would authorize the development to include ancillary uses on the ground floor of the development, as specified.

[SB 20](#)

(Rubio D) Joint powers agreements: regional housing trusts.

Current Text: Introduced: 12/5/2022 [html](#) [pdf](#)

Introduced: 12/5/2022

Status: 12/6/2022-From printer. May be acted upon on or after January 5.

Location: 12/5/2022-S. RLS.

Summary: Would authorize 2 or more cities, by entering into a joint powers agreement pursuant to the Joint Exercise of Powers Act, to create a regional housing trust for the purposes of funding housing to assist the homeless population and persons and families of extremely low, very low, and low income within their jurisdictions. The bill would require a regional housing trust created pursuant to these provisions to be governed by a board of directors consisting of a minimum of 9 directors, as specified. The bill would authorize a regional housing trust to fund the planning and construction of housing, receive public and private financing and funds, and authorize and issue bonds, as specified. The bill would require the joint powers agreement establishing the regional housing trust to incorporate specified annual financial reporting and auditing requirements.

Local Government

[ACA 1](#)

(Aguiar-Curry D) Local government financing: affordable housing and public infrastructure: vote approval.

Current Text: Introduced: 12/5/2022 [html](#) [pdf](#)

Introduced: 12/5/2022

Status: 12/6/2022-From printer. May be heard in committee January 5.

Location: 12/5/2022-A. PRINT

Summary: The California Constitution prohibits the ad valorem tax rate on real property from exceeding 1% of the full cash value of the property, subject to certain exceptions. This measure would create an additional exception to the 1% limit that would authorize a city, county, city and county, or special district to levy an ad valorem tax to service bonded indebtedness incurred to fund the construction, reconstruction, rehabilitation, or replacement of public infrastructure, affordable housing, or permanent supportive housing, or the acquisition or lease of real property for those purposes, if the proposition proposing that tax is approved by 55% of the voters of the city, county, or city and county, as applicable, and the proposition includes specified accountability requirements. The measure would specify that these provisions apply to any city, county, city and county, or special district measure imposing an ad valorem tax to pay the interest and redemption charges on bonded indebtedness for these purposes that is submitted at the same election as this measure.

Special Session

[ABX1 1](#)

(Ting D) Oil refineries: maintenance.

Current Text: Introduced: 12/5/2022 [html](#) [pdf](#)

Introduced: 12/5/2022

Status: 12/5/2022-Read first time. To print.

Location: 12/5/2022-A. PRINT

Summary: The California Refinery and Chemical Plant Worker Safety Act of 1990 requires, among other things, every petroleum refinery employer to submit to the Division of Occupational Safety and Health full schedule of planned turnarounds, meaning a planned, periodic shutdown of a refinery process unit or plant to perform maintenance, overhaul, and repair operations and to inspect, test, and replace process materials and equipment, as provided. This bill would express the intent of the Legislature to enact subsequent legislation to ensure that only one oil refinery in the state is undergoing scheduled maintenance at a time.

[ABX1 2](#)

(Fong, Vince R) Motor Vehicle Fuel Tax Law: suspension of tax.

Current Text: Introduced: 12/5/2022 [html](#) [pdf](#)

Introduced: 12/5/2022

Status: 12/5/2022-Read first time. To print.

Location: 12/5/2022-A. PRINT

Summary: Would suspend the imposition of the tax on motor vehicle fuels for one year. The bill would require that all savings realized based on the suspension of the motor vehicle fuels tax by a person other than an end consumer, as defined, be passed on to the end consumer, and would make the violation of this requirement an unfair business practice, in violation of unfair competition laws, as provided. The bill would require a seller of motor vehicle fuels to provide a receipt to a purchaser that indicates the amount of tax that would have otherwise applied to the transaction.

SBX1 1

(Jones R) Motor vehicle fuel tax: greenhouse gas reduction programs: suspension.

Current Text: Introduced: 12/5/2022 [html](#) [pdf](#)

Introduced: 12/5/2022

Status: 12/5/2022-Introduced. Read first time. Referred to Com. on RLS.

Location: 12/5/2022-S. RLS.

Summary: The California Global Warming Solutions Act of 2006 requires the State Air Resources Board to adopt rules and regulations to achieve the maximum technologically feasible and cost-effective greenhouse gas emissions reductions to ensure that the statewide greenhouse gas emissions are reduced to at least 40% below the statewide greenhouse gas emissions limit, as defined, no later than December 31, 2030. Pursuant to the act, the state board has adopted the Low Carbon Fuel Standard regulations. The act authorizes the state board to include in its regulation of those emission the use of market-based compliance mechanisms. Current law requires all moneys, except for fines and penalties, collected by the state board from the auction or sale of allowances as part of a market-based compliance mechanism to be deposited in the Greenhouse Gas Reduction Fund. This bill would suspend the Low Carbon Fuel Standard regulations for one year. The bill would also exempt suppliers of transportation fuels from regulations for the use of market-based compliance mechanisms for one year.

SBX1 2

(Skinner D) Energy: transportation fuels: supply and pricing: maximum gross gasoline refining margin.

Current Text: Introduced: 12/5/2022 [html](#) [pdf](#)

Introduced: 12/5/2022

Status: 12/5/2022-Introduced. Read first time. Referred to Com. on RLS.

Location: 12/5/2022-S. RLS.

Summary: Current law requires operators of refineries in the state that produce gasoline meeting California specifications, within 30 days of the end of each calendar month, to submit a report to the State Energy Resources Conservation and Development Commission containing certain information regarding its refining activities related to the production of gasoline in that month. Current law requires the commission to notify a refiner that has failed to timely provide the required information and imposes a civil penalty on the refiner that fails to submit the required information within 5 days of being notified of the failure. This bill would establish a maximum gross gasoline refining margin at an unspecified amount per gallon and would authorize the commission to annually adjust the maximum gross gasoline refining margin, as provided. The bill would authorize the commission to petition the court to enjoin a refiner from exceeding the maximum gross gasoline refining margin. The bill would also authorize the commission to assess an administrative civil penalty on a refiner for exceeding the maximum gross gasoline refining margin, as provided. The bill would authorize the commission to grant a refiner's request for an exemption from the maximum gross gasoline refining margin upon a showing by the refiner of reasonable cause, and to subject the refiner to alternative maximum margins or other conditions set by the commission. The bill would require a refiner seeking an exemption to file a statement under the penalty of perjury setting forth the basis of the request for exemption.

Transportation

AB 6

(Friedman D) Transportation planning.

Current Text: Introduced: 12/5/2022 [html](#) [pdf](#)

Introduced: 12/5/2022

Status: 12/6/2022-From printer. May be heard in committee January 5.

Location: 12/5/2022-A. PRINT

Summary: Current law requires certain transportation planning agencies to prepare and adopt regional transportation plans directed at achieving a coordinated and balanced regional transportation system. Current law requires each regional transportation plan to also include a sustainable communities strategy prepared by each metropolitan planning organization in order to, among other things, achieve certain targets established by the State Air Resources Board for the reduction of greenhouse gas emissions from automobiles and light trucks in the region for 2020 and 2035, respectively. This bill would state the intent of the Legislature to enact subsequent legislation that would require regional transportation agencies to prioritize and fund transportation projects, including those funded by a local sales tax measure, that significantly contribute towards the goals outlined in a

region's sustainable communities strategy and the state's climate goals.

AB 7 (Friedman D) Transportation: funding: capacity projects.

Current Text: Introduced: 12/5/2022 [html](#) [pdf](#)

Introduced: 12/5/2022

Status: 12/6/2022-From printer. May be heard in committee January 5.

Location: 12/5/2022-A. PRINT

Summary: Current law requires the Department of Transportation to improve and maintain the state's highways, and establishes various programs to fund the development, construction, and repair of local roads, bridges, and other critical transportation infrastructure in the state. This bill would state the intent of the Legislature to enact subsequent legislation that would eliminate single occupancy vehicle freeway capacity projects, and allow capacity projects only for bus rapid transit, rail, active transportation purposes, projects that significantly add safety, and projects that significantly reduce congestion, without interfering with existing maintenance and rehabilitation needs.

AB 16 (Dixon R) Motor Vehicle Fuel Tax Law: adjustment suspension.

Current Text: Introduced: 12/5/2022 [html](#) [pdf](#)

Introduced: 12/5/2022

Status: 12/6/2022-From printer. May be heard in committee January 5.

Location: 12/5/2022-A. PRINT

Summary: The Motor Vehicle Fuel Tax Law, administered by the California Department of Tax and Fee Administration, imposes a tax upon each gallon of motor vehicle fuel removed from a refinery or terminal rack in this state, entered into this state, or sold in this state, at a specified rate per gallon. Existing law requires the department to adjust the tax on July 1 each year by a percentage amount equal to the increase in the California Consumer Price Index, as calculated by the Department of Finance. Article XIX of the California Constitution restricts the expenditure of revenues from the Motor Vehicle Fuel Tax, Diesel Fuel Tax Law, and other taxes imposed by the state on fuels used in motor vehicles upon public streets and highways to street and highway and certain mass transit purposes. This bill would authorize the Governor to suspend an adjustment to the motor vehicle fuel tax, as described above, scheduled on or after July 1, 2024, upon making a determination that increasing the rate would impose an undue burden on low-income and middle-class families. The bill would require the Governor to notify the Legislature of an intent to suspend the rate adjustment on or before January 10 of that year, and would require the Department of Finance to submit to the Legislature a proposal by January 10 that would maintain the same level of funding for transportation purposes as would have been generated had the scheduled adjustment not been suspended.

AB 53 (Fong, Vince R) Motor Vehicle Fuel Tax Law: suspension of tax.

Current Text: Introduced: 12/5/2022 [html](#) [pdf](#)

Introduced: 12/5/2022

Status: 12/6/2022-From printer. May be heard in committee January 5.

Location: 12/5/2022-A. PRINT

Summary: Would suspend the imposition of the tax on motor vehicle fuels for one year. The bill would require that all savings realized based on the suspension of the motor vehicle fuels tax by a person other than an end consumer, as defined, be passed on to the end consumer, and would make the violation of this requirement an unfair business practice, in violation of unfair competition laws, as provided. The bill would require a seller of motor vehicle fuels to provide a receipt to a purchaser that indicates the amount of tax that would have otherwise applied to the transaction.

AB 69 (Waldron R) Transportation: traffic signal synchronization: roadway improvement projects.

Current Text: Introduced: 12/9/2022 [html](#) [pdf](#)

Introduced: 12/9/2022

Status: 1/4/2023-Read first time.

Location: 12/9/2022-A. PRINT

Summary: The State Air Resources Board is required to adopt a statewide greenhouse gas emissions limit equivalent to the statewide greenhouse gas emissions level in 1990 to be achieved by 2020 and to ensure that statewide greenhouse gas emissions are reduced to at least 40% below the 1990 level by 2030, and to adopt rules and regulations in an open public process to achieve the maximum, technologically feasible, and cost-effective greenhouse gas emissions reductions. The act authorizes the state board to include the use of market-based compliance mechanisms. Existing law requires all moneys, except for fines and penalties, collected by the state board from the auction or sale of allowances as part of a market-based compliance mechanism to be deposited in the Greenhouse Gas Reduction Fund and to be available upon appropriation. Current law requires the Department of Finance, in consultation with the state board and any other relevant state agency, to develop, as specified, a 3-year investment plan for the moneys deposited in the Greenhouse Gas Reduction Fund. Current law authorizes moneys in the fund to be allocated, as specified, for an investment in a traffic signal synchronization component that is part of a sustainable infrastructure project if the component is designed and implemented to achieve cost-effective reductions in greenhouse gas emissions and includes specific emissions reduction targets and metrics to evaluate the project's effect. This bill would

additionally authorize moneys in the fund to be allocated for an investment in a traffic signal synchronization component that is part of a roadway improvement project requiring multiple signals, including, but not limited to, multimodal redevelopment projects, rail trail projects, urban renewal projects, or a project near transit facilities, if the component is designed and implemented to achieve cost-effective reductions in greenhouse gas emissions and includes specific emissions reduction targets and metrics to evaluate the project's effect.

SB 5

(Nguyen R) Motor Vehicle Fuel Tax Law: limitation on adjustment.

Current Text: Introduced: 12/5/2022 [html](#) [pdf](#)

Introduced: 12/5/2022

Status: 12/6/2022-From printer. May be acted upon on or after January 5.

Location: 12/5/2022-S. RLS.

Summary: The Motor Vehicle Fuel Tax Law, administered by the California Department of Tax and Fee Administration, imposes a tax upon each gallon of motor vehicle fuel removed from a refinery or terminal rack in this state, entered into this state, or sold in this state, at a specified rate per gallon. Current law requires the department to annually adjust the tax imposed by increasing the rates based on the California Consumer Price Index, as specified. This bill would limit the above-described annual adjustment to a maximum of 2% for rate adjustments made on or after July 1, 2023. This bill contains other related provisions.

Total Measures: 31

Total Tracking Forms: 31



AGENDA ITEM 4
REPORT

Southern California Association of Governments
Remote Participation Only
January 17, 2023

To: Legislative/Communications and Membership Committee (LCMC)

**EXECUTIVE DIRECTOR'S
APPROVAL**

From: David Angel, Legislative Affairs Analyst
(213) 630-1422, angel@scag.ca.gov

Subject: LCMC 2023 Calendar of Meetings

RECOMMENDED ACTION:

Approve

STRATEGIC PLAN:

This item supports the following Strategic Plan Goal 2: Advance Southern California’s policy interests and planning priorities through regional, statewide, and national engagement and advocacy.

EXECUTIVE SUMMARY:

Staff prepared a draft schedule of meeting dates for the Legislative/Communications and Membership Committee (LCMC) to coincide with the beginning of 2023. In consultation with Chair Solache, staff proposes that the Committee go dark in October and December 2023.

BACKGROUND:

As Congress and Sacramento have convened for new legislative sessions after last year’s elections, staff proposes a schedule of meeting dates for the Committee’s consideration. The Committee generally meets on the third Tuesday of the month, though staff recommends the following three deviations from that schedule:

- First, staff proposes that the **May LCMC be held on the 4th Tuesday (May 23, 2023)** instead of the usual 3rd Tuesday of the month. Appointments to the LCMC are made by the SCAG President, last for approximately one year, and expire at the adjournment of the next regular meeting of the General Assembly. The proposed one-week delay for the month of May would allow the new SCAG President more time to appoint a new LCMC roster after the General Assembly.
- Second, staff recommends that the LCMC maintain its tradition of going **dark for the month of October**. This is because the State Legislature will have ended the first half of its two-year

session on September 14, 2023, ending all formal activity by the State Legislature by that time.

- Third, staff recommends that the LCMC go **dark for the month of December** since the State Legislature will still be in recess, and Congress will likely have limited activity during this time.

One additional item to note, staff is actively planning a Sacramento Legislative Advocacy Summit tentatively to be held during the week of April 16, 2023. If arrangements materialize, the Summit will replace the April LCMC.

Lastly, while staff recommends that the Committee adopt a calendar of meetings for organizational and planning purposes, SCAG bylaws provide the flexibility to cancel or call an LCMC meeting at the Chair's discretion.

FISCAL IMPACT:

Work associated with the Calendar of Meetings Report is contained in the Indirect Cost budget, Legislation 810-0120.10.

ATTACHMENT(S):

1. 04a - LCMC - 01172023 - LCMC 2023 Calendar of Meetings



Southern California Association of Government
2023 Legislative/Communications and Membership Committee Meeting

JANUARY 2023

Su	M	Tu	W	Th	F	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

FEBRUARY 2023

Su	M	Tu	W	Th	F	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28				

MARCH 2023

Su	M	Tu	W	Th	F	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

APRIL 2023

Su	M	Tu	W	Th	F	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

MAY 2023

Su	M	Tu	W	Th	F	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

JUNE 2023

Su	M	Tu	W	Th	F	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

JULY 2023

Su	M	Tu	W	Th	F	Sa
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SCAG Regional Council Meeting

SCAG Holidays

Legislative/Communications and Membership Committee Meeting

Annual Sacramento Advocacy Trip



AGENDA ITEM 5
REPORT

Southern California Association of Governments
Remote Participation Only
January 17, 2023

To: Legislative/Communications and Membership Committee (LCMC)

**EXECUTIVE DIRECTOR'S
APPROVAL**

From: Francisco Barajas, Senior Legislative Affairs Analyst
(213) 630-1400, barajasf@scag.ca.gov

Subject: 2023-24 State Budget Update

RECOMMENDED ACTION:

Information Only – No Action Required

STRATEGIC PLAN:

This item supports the following Strategic Plan Goal 2: Advance Southern California’s policy interests and planning priorities through regional, statewide, and national engagement and advocacy.

EXECUTIVE SUMMARY:

The State Constitution requires the Governor to submit a balanced budget to the Legislature by January 10 of each year detailing the state’s spending plan for the next fiscal year. To comply with this requirement, Governor Newsom unveiled his budget proposal for the 2023-24 fiscal year on Tuesday, January 10, 2023. The \$297 billion budget lays out his administration’s spending plan for the upcoming fiscal year while addressing an estimated budget shortfall of \$22.5 billion. Cruz Strategies will provide a presentation on the details of the budget and its potential impact on SCAG’s priorities.

BACKGROUND:

Governor Newsom presented his January Budget Proposal for the upcoming 2023-24 fiscal year on Tuesday, January 10, 2023 as required by the State’s constitution. The budget includes \$297 billion in spending in all categories, of which \$223.6 billion are General Fund resources. The Governor’s budget estimates a \$22.5 billion shortfall compared to the adopted budget’s estimates for next year. As the Constitution requires the budget be balanced when presented, the Governor’s proposal includes the following actions to address the deficit:

- **No Rainy Day or Reserve Account Funds** – At this time, the Governor does not propose to dip into any of the State’s four reserve accounts.

- **Funding Delays (\$7.4 billion)** – Delaying funding for multiple items from the 2021-22 through 2023-24 fiscal years, spreading the funding across future years without reducing the total amount of funding planned over the entire period.
- **Reductions and Pullbacks (\$5.7 billion)** – Reducing spending for various items from the 2021-22 through 2023-24 fiscal years, including pulling back certain items included in the 2022 state budget.
- **Fund Shifts (\$4.3 billion)** – Shifting certain spending in the 2022-23 and 2023-24 fiscal years from the General Fund to other special funds or bonds.
- **“Trigger Reductions” (\$3.9 billion)** – Reducing funding for certain items in the 2020-21 through 2023-24 budgets, placing them in a new “trigger,” where these reductions would be restored if sufficient funds are available.
- **Managed Care Organization (MCO) Tax and Borrowing (\$1.2 billion)** – Increase General Fund resources in 2023-24 with targeted borrowing from state special funds and by renewing the MCO tax to boost funding for health care purposes.

Below are some key highlights from the budget proposal that impacts SCAG priorities:

Housing and Homelessness:

The Governor’s budget proposal reiterates his administration’s goal for 2.5 million new housing units by 2030 to serve Californians of all household income levels. The proposal does not propose any major investments in new programs, but rather focuses on keeping existing commitments intact minus proposed reductions in the amount of \$350 million. As such, funding for these housing programs would remain at 88 percent of the allocations made in 2022-23 and proposed for 2023-24 (\$2.85 billion). If there is sufficient funding in the General Fund in January 2024, the Governor proposes to restore his proposed reductions.

Key items from the proposal for housing include:

- **Dream for All Program** – The budget proposes to claw back \$200 million of the \$500 million one-time General Fund allocation to the “Dream for All” program, which provides shared-appreciation loans to help low- and moderate-income first-time homebuyers achieve homeownership.
- **CalHome Program** – The budget proposes to claw back \$100 million one-time General Fund allocation to the CalHome Program, which provides local agencies and nonprofits grants to assist low- and very-low-income first-time homebuyers with housing assistance, counseling, and technical assistance. The budget proposal would leave intact the \$250 million already committed for the current fiscal year.
- **Accessory Dwelling Unit Program** – The budget proposes to claw back the entire \$50 million General Fund allocation to the California Housing Finance Agency’s Accessory Dwelling Unit program.

Notably, the Governor’s budget summary states that any jurisdictions not compliant with its legal responsibilities will be disqualified from receiving homelessness funding, and instead, other overlapping jurisdictions would be eligible to receive those funds and provide those services in the respective community.

Transportation:

Governor Newsom’s budget summary included Transportation under the “Climate” section, reiterating that the transportation sector is the largest contributor of greenhouse gas emissions (GHG) in California and that transportation projects must align with climate change solutions consistent with the Climate Action Plan for Transportation Infrastructure (CAPTI).

The Governor is proposing significant reductions to the transportation programs that were promised under previous budget agreements. Key items from this year’s proposal include:

- **Transit Intercity Rail Capital Program** – The budget proposes to reduce the program from \$2 billion to \$1 billion in 2023-24 and \$500 million each in 2024-25 and 2025-26. This maintains approximately \$5.7 billion (74 percent) of the original \$7.7 billion planned additional funds for local transit capital infrastructure projects. If there are sufficient resources in the General Fund in January 2024, the Governor proposes to restore this cut.
- **Active Transportation Program** – The budget proposes a \$200 million reduction to the ATP. This proposal would allow the ATP to sustain all the programming capacity approved in the 2023 programming cycle and maintains 81 percent of the original \$1.05 billion previously promised in last year’s budget.
- **Climate Adaptation Program** – The budget proposes funding this program from the State Highway Account fund instead of the General Fund.
- **Safety Grade Separations Program** – The budget proposes to delay this program until 2025-26. Last year’s budget agreement made \$350 million in General Fund resources available for the FY 2023-24 year.

Climate:

The 2021 and 2022 Budget Acts allocated approximately \$54 billion over five years to advance the state’s climate agenda. The Governor’s proposal maintains 89 percent of those investments (\$48 billion) and continues to prioritize investments in equity communities. Some of the significant proposals include:

- **ZEV Investments** – The budget proposes reducing funding to 89 percent of what was proposed last year. This includes \$2.5 billion of General Fund Reductions across various ZEV

programs, which are partially offset by approximately \$1.4 billion in fund shifts to Cap-and-Trade funds.

- **Equitable Zero-Emission Vehicles** – The budget proposes reducing funding allocated to 91 percent of what was proposed (approximately \$2.1 billion).
- **Heavy-Duty Zero-Emission Vehicles and Supporting Infrastructure Program** – The budget proposes reducing funding allocated to 89 percent of what was proposed (approximately \$5.3 billion).
- **Zero-Emission Mobility Program** – The budget proposes reducing funding allocated to 53 percent of what was proposed (approximately \$180 million) for sustainable community-based transportation equity projects that increase access to zero-emission in low-income communities.

Next Steps:

The Governor’s proposal is the first step in the budget process that will culminate with the adoption of the FY 2023-24 budget by June 15, 2023, as required by our state constitution. Over the next several months, the Legislature will convene its budget committees, identify its priorities, and negotiate with the Governor. The Assembly has already introduced its budget spot bills, AB 100 – AB 220. These 120 measures will be used over the next two years for the Budget Bill, Budget Bills Junior, and Budget Trailer Bills. The Senate has not introduced its budget spot bills as of Wednesday, January 11, 2023. While many steps remain, the January budget proposal is a key indication for legislators on the Governor’s top priorities.

Cruz Strategies represents SCAG in Sacramento and will provide a presentation to the Legislative/Communications and Membership Committee (LCMC) on the Governor’s proposed budget. Cruz’s summary of the budget is attached to this report. To access the Governor’s proposed budget, visit: ebudget.ca.gov.

FISCAL IMPACT:

Work associated with the 2023-24 State Budget Update is contained in the Indirect Cost Budget, Legislation 810-0120.10.

ATTACHMENT(S):

1. 2023-2024 Governor January Budget Proposal Summary



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Governor's 2023-2024 January Budget *January 10, 2023*

Given the significant decline in state revenues, Governor Newsom released his well-anticipated budget this morning that attempts to maintain the major infrastructure and climate investments from last year's surplus while accounting for the declining revenues. In his press conference, the Governor attributed much of the decline to high inflation, multiple federal reserve bank interest rate increases, progressive income tax structure, and further stock market declines. The Governor's budget forecasts General Fund revenues will be \$29.5 billion lower than at the 2022 Budget Act projections, and California now faces an estimated budget gap of \$22.5 billion in the 2023-24 fiscal year. The plan introduced this morning proposes to close the projected shortfall by implementing funding delays, program reductions, and shifting funds to future years.

A few highlights from the Governor's budget include significant investments in universal transitional kindergarten, homelessness, and housing supply, expanding Medi-Cal, drought and flood preparation, combatting fentanyl, and supporting economic development throughout the state.

Public Safety

- **Combating Organized Retail Theft and Other Crimes**—The Budget sustains \$564.4 million General Fund over three years to bolster local law enforcement efforts to address retail theft and other crimes. These investments help local law enforcement agencies implement anti-theft task forces, improve prosecution, expand Department of Justice and California Highway Patrol anti-crime and retail theft task forces, expand drug interdiction and combat fentanyl prevalence, improve emergency response times, combat human trafficking and child sexual exploitation, support programs to remove and dispose of firearms and provides resources to research to inform policies that address the ever-evolving firearms market.
- **Reversing Opioid Overdoses**—An increase of \$3.5 million ongoing Proposition 98 General Fund for all middle and high school sites to maintain at least two doses of naloxone hydrochloride or another medication to reverse an opioid overdose on campus for emergency aid.
- **Opioid and Fentanyl Response**—The Budget includes an additional \$93 million in Opioid Settlement Fund over four years beginning in 2023-24 to support youth- and fentanyl-focused investments for the Department of Health Care Services and for the Department of Public Health as follows: 1) \$79 million for the Naloxone Distribution Project to increase distribution to first responders, law enforcement, community-based organizations, and county agencies. 2) \$10 million for fentanyl program grants to increase local efforts in education, testing, recovery, and support services to implement Chapter 783, Statutes of 2022 (AB 2365). 3) \$4 million to support innovative approaches to make fentanyl test strips and naloxone more widely available.



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- **Community Assistance, Recovery, and Empowerment (CARE) Act**—The 2022 Budget Act included \$6.1 million in 2022-23 and \$37.7 million ongoing for the Judicial Branch to implement the CARE Act (Chapter 319, Statutes of 2022). The Budget reduces this funding by \$13.9 million General Fund in 2023-24 and increases funding by \$12.9 million in 2024-25, and \$30.9 million ongoing.
- **Juror Compensation (AB 1981)**—\$19 million General Fund in 2023-24, \$17.5 million in 2024-25, and \$4.2 million ongoing to expand juror mileage and public transit reimbursements, and to conduct a pilot program in at least six courts to study the 2023-24 impact of increased juror compensation on juror diversity and participation, pursuant to Chapter 326, Statutes of 2021 (AB 1981).
- **DJJ Closure**—The 2022 Budget Act included \$100 million General Fund for grants to support improvements to county-operated juvenile facilities to make these locations more conducive to serving justice-involved youth with a wide range of needs, with a focus on supporting trauma-informed care, restorative justice, and rehabilitative programming. The Budget reflects a decrease of \$95.8 million ongoing (\$93 million General Fund and \$2.8 various funds) associated with the closure of DJJ.
- **Raising Awareness on Gun Violence Restraining Orders** —\$11 million one-time General Fund was allocated for the Office of Emergency Services to facilitate education and training efforts related to gun violence restraining orders.
- **California Internet Crimes Against Children Task Force**—\$15 million one-time General Fund was invested over three years to continue the existing level of funding for this program.
- **Post Release Community Supervision**—The Post Release Community Supervision Act of 2011 authorized CDCR to release certain incarcerated individuals to county supervision. The state provides funding to those counties. The Department of Finance estimates \$8.2 million General Fund will be allocated to counties for this purpose in 2023-24.
- **Community Corrections Performance Incentive Grant**—Consistent with the 2022 Budget Act, the Budget continues a total of \$123.8 million General Fund in 2023-24 to provide county probation departments with a consistent level of funding based on prior performance, so county probation departments are not unduly impacted by the lingering effects of the COVID-19 Pandemic on probation populations, law enforcement practices, or court processes.
- **Board of State and Community Corrections**—\$50 million one-time General Fund reduction to the Public Defender Pilot program in 2023-24, due to declining General Fund revenues.
- **Supportive Services for Victims**—\$1.8 million ongoing General Fund was provided to deliver services to victims throughout CDCR’s parole hearing process and to survivors of those killed in officer-involved shootings investigated by the Department of Justice.
- **Bureau of Forensic Services**—\$53.4 million ongoing General Fund to continue backfilling a decline in fine and fee revenue to the DNA Identification Fund.
- **Unserialized Firearms (AB 1621)**—\$2.8 million General Fund in 2023-24, \$2.5 million in 2024-25, and \$1.2 million ongoing, to regulate the sale, transfer, possession, and



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manufacturing of unserialized firearm precursor parts pursuant to Chapter 76, Statutes of 2022.

- **Crimes: Race-Blind Charging (AB 2778)**—\$817,000 General Fund in 2023-24, and \$2.4 million ongoing, to collaborate with local jurisdictions, develop guidelines and policies for race-blind charging, perform document redaction, and review additional criminal cases.
- **Criminal Procedures: Discrimination (AB 256)**—\$2.2 million General Fund in 2023-24, \$2.1 million in 2024-25, and \$848,000 in 2025-26 and 2026-27, to address increased litigation-related workload associated with increased appeals for past convictions pursuant to Chapter 739, Statutes of 2022.
- **Board of State and Community Corrections**—\$83.9 million Cannabis Tax Fund is allocated to the Board of State and Community Corrections through Allocation 3 to award grants to local governments to assist with law enforcement, fire protection, or other local programs addressing public health and safety associated with the implementation of the Control, Regulate and Tax Adult Use of Marijuana Act.
- **California Department of Tax and Fee Administration**—A portion of \$10 million Cannabis Control Fund will be allocated to the California Department of Tax and Fee Administration to support its cannabis tax enforcement program.

Climate & Resources

The 2021 and 2022 Budget Acts allocated approximately \$54 billion over five years to advance the state's climate agenda. The Budget maintains approximately \$48 billion (89 percent) of these investments and continues to prioritize equity and investments in priority populations, which face disproportionate harm from pollution and the climate crisis.

- The Budget includes \$14.6 million Oil, Gas, and Geothermal Administrative Fund in 2023-24, \$20 million in 2024-25 and \$19.6 million ongoing across several departments to implement SB 1137 - the oil well set back legislation from 2022.
- The Budget includes \$7.6 million General Fund and Cost of Implementation Account in 2023-24 and \$5 million ongoing to support implementation of the nature based solutions program that was funded in last year's budget.
- The Budget includes \$4 million from various funds (General Fund, Cost of Implementation Account, Greenhouse Gas Reduction Fund, and Public Utilities Commission Utilities 2023-24 Reimbursement Account) in 2023-24, and additional ongoing funds, across multiple agencies to support implementation of a clean electric grid.
- **Klamath Dam Removal:** The Budget includes \$2 million General Fund in 2023-24 and \$1.3 million ongoing and five permanent positions for the Department of Fish and Wildlife to establish two new programs to support the protection and management of fish and wildlife, recreational opportunities, and collaborative Tribal partnerships before, during, and after dam removal.
- **Zero Emission Vehicle (ZEV) Funding:** The Budget maintains \$8.9 billion (89 percent) of ZEV investments with a focus on communities that are the most affected. This



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includes targeted investments in disadvantaged and low-income communities by increasing access to the benefits of clean transportation and by continuing to decarbonize California's transportation sector and improve public health. The Budget includes \$2.5 billion of General Fund reductions across various ZEV programs, which are partially offset by approximately \$1.4 billion in fund shifts to Cap and Trade funds. Further, the Administration will pursue additional federal funding to help offset the decrease in state funds.

- **Equitable Zero-Emission Vehicles and Infrastructure**—A reduction of \$745 million General Fund, which is partially offset by a shift of \$535 million to the Greenhouse Gas Reduction Fund. This maintains approximately \$2.1 billion (91 percent) for programs that expand affordable and convenient ZEV infrastructure access in low-income neighborhoods.
- **Heavy-Duty Zero-Emission Vehicles and Supporting Infrastructure**—A reduction of \$1.5 billion General Fund, which is partially offset by a shift of \$839 million to the Greenhouse Gas Reduction Fund. This maintains approximately \$5.3 billion (89 percent) for programs that support drayage, transit and school busses, and port ZEVs and infrastructure.
- **Zero-Emission Mobility**—A reduction of \$184 million General Fund, which is partially offset by a shift of \$25 million to the Greenhouse Gas Reduction Fund. This maintains approximately \$180 million (53 percent) for sustainable community-based transportation equity projects that increase access to zero-emission mobility in low-income communities.
- **Emerging Opportunities and Federal Programs**—A reduction of \$133 million General Fund, which is partially offset by a shift of \$40 million to the Greenhouse Gas Reduction Fund.
- **State Conservancy Nature-Based Solutions**—A reduction of \$100 million General Fund in 2023-24. This maintains approximately \$130 million (57 percent) of state conservancy nature-based solutions funding and \$662 million (87 percent) of all state conservancy funding within other areas of the budget.
- **Natural Community Conservation Program Planning and Land Acquisition**—A reduction of \$6 million General Fund in 2022-23. This maintains approximately \$30 million (83 percent) of program funding.
- **Climate Smart Land Management Program**—A reduction of \$4 million General Fund in 2022-23. This maintains approximately \$16 million (80 percent) of program funding.
- **Ocean Protection**—A reduction of \$69 million in 2023-24 and \$10 million in 2024-25 across various ocean protection programs administered by the Ocean Protection Council. This maintains approximately \$139 million (64 percent) for this purpose.
- **Coastal Protection and Adaptation**—A reduction of \$175 million in 2022-23, \$297 million in 2023-24 and \$9 million in 2024-25 across various coastal protection and adaptation programs administered by the State Coastal Conservancy. This maintains approximately \$582 million (55 percent) for this purpose.



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Energy

The Budget maintains \$7 billion (89 percent) of last year's investments, and proposes an initial allocation of the \$100 million in 2023-24 from SB 846 Clean Energy Reliability Investment Plan funds for reliability and enabling investments that will accelerate the clean energy transition. The 2023-24 Governor's Budget proposes \$897 million General Fund in reductions and \$370 million General Fund in delays to future years. If there is sufficient General Fund in January 2024, up to \$410 million of these reductions will be restored

- **Long Duration Energy Storage**—A reduction of \$50 million in 2023-24 from the Long Duration Energy Storage Program at the California Energy Commission (CEC). This maintains approximately \$330 million (87 percent) for support of long-duration energy storage projects that will help with the state's energy transition.
- **Carbon Removal**—A reduction of \$25 million in 2023-24 from the Carbon Removal Program at the CEC. This maintains approximately \$75 million (75 percent) for projects that support the removal of carbon.
- **Transmission Financing**—A reduction of \$25 million in 2023-24 from the Transmission Financing Program at the California Infrastructure Bank. This maintains approximately \$225 million (90 percent) for financing support of new energy transmission projects
- **Industrial Grid Support and Decarbonization**—A reduction of \$10 million in 2022-23 from the Industrial Grid Support and Decarbonization at the CEC. This maintains approximately \$90 million (90 percent) for projects that support decarbonization of the industrial sector and provide grid support.
- **Equitable Building Decarbonization**—A delay of \$370 million of funds in the current year and the budget year to future years for the Equitable Building Decarbonization Program at the CEC. In addition, a reduction of \$87 million is planned for 2025-26 for this program. This maintains approximately \$835 million (91 percent) for support of projects reducing greenhouse gas emissions in homes and advancing energy equity.
- **Climate Innovation Program**—A delay of \$150 million of funds in the current year and the budget year to 2026-27 for the Climate Innovation Program at the CEC.

Wildfire Prevention

The 2021 and 2022 Budget Acts committed \$2.8 billion over four years to continue strengthening forest and wildfire resilience statewide. The Budget maintains \$2.7 billion (97 percent) of funding to advance critical investments in forest health and fire prevention to continue to reduce the risk of catastrophic wildfires, as well as resources for fire protection in the state's wildfire response. The Budget includes \$91 million in General Fund reductions across various programs, which are partially offset by a \$14 million shift to Proposition 98.

- **Climate Catalyst Fund**—A reduction of \$10 million General Fund in 2020-21 and \$31 million in 2021-22. This maintains approximately \$8 million (16 percent) to support the Climate Catalyst Fund.



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- **Stewardship of State-Owned Lands**—A reduction of \$10 million General Fund in 2022-23 and \$15 million in 2023-24. This maintains approximately \$280 million (92 percent) for resilient forests and landscapes on state-owned lands.
- **Defensible Space Inspections**—A reduction of \$5 million General Fund in 2023-24. This maintains approximately \$20 million (80 percent) to support defensible space inspections.
- **Monitoring and Research**—A reduction of \$5 million General Fund in 2023-24. This maintains approximately \$33 million (87 percent) to support monitoring and research.
- **Workforce Training**—A reduction of \$15 million General Fund in 2023-24, which is partially offset by a shift of \$14 million to Proposition 98 for similar purposes. This maintains approximately \$53 million (98 percent) to support workforce training.

Water and Drought Response

The 2021 and 2022 Budget Acts committed \$8.7 billion over multiple years to support drought resilience and response designed to help communities and fish and wildlife avoid immediate negative impacts as a result of extreme drought, while continuing to advance projects and programs that prepare the state to be more resilient to future droughts and floods. The Budget maintains \$8.6 billion (98 percent) of previously committed funding to minimize the immediate economic and environmental damage from the current drought and support hundreds of local water projects to prepare for and be more resilient to future droughts.

- **Urban Flood Risk Reduction**—\$135.5 million General Fund over two years to support local agencies working to reduce urban flood risk.
- **Delta Levees**—\$40.6 million General Fund for ongoing Delta projects that reduce risk of levee failure and flooding, provide habitat benefits, and reduce the risk of saltwater intrusion contaminating water supplies.
- **Central Valley Flood Protection**—\$25 million General Fund to support projects that will reduce the risk of flooding for Central Valley communities while contributing to ecosystem restoration and agricultural sustainability.
- **2023 Drought Contingency**—\$125 million General Fund one-time as a drought contingency set-aside to be allocated as part of the spring budget process, when additional water data will be available to inform future drought needs.
- **Planning and Permitting for New Water Supplies**—\$4.7 million Waste Discharge Permit Fund in 2023-24, and \$5.7 million Waste Discharge Permit Fund and \$408,000 Safe Drinking Water Account ongoing to support planning and permitting for projects that produce new water supplies.
- **Modernizing Water Rights**—\$31.5 million General Fund one-time in 2023-24 to continue development of the Updating Water Rights Data for California Project to enhance California’s water management capabilities.
- **Urban Water Use Objectives**—\$7 million General Fund over four years to implement Chapter 679, Statutes of 2022, (SB 1157), which established a new foundation for long-term improvements in water conservation and drought planning to adapt to climate change and the resulting longer and more intense droughts. This approach is based on



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water use efficiency standards for certain categories of water use, including indoor residential water use.

- **San Joaquin River Basin Groundwater Recharge: Water Availability Analysis and Technical Assistance**—\$4.9 million General Fund over five years to continue to provide local water districts methodologies and tools to conduct water availability analyses, which will help facilitate groundwater recharge, one of the core pillars of the Water Supply Strategy.
- **Stream Gages**—\$4.7 million General Fund over two years to begin reactivation of historical stream gages, consistent with the SB 19 Stream Gaging Prioritization Plan and as called for in the Water Supply Strategy.
- **Watershed Resilience Programs**—A reduction of \$24 million General Fund in 2023-24 and a delay of an additional \$270 million General Fund to 2024-25. This maintains approximately \$470 million (95 percent) across various watershed resilience programs.
- **Perfluoroalkyl and Polyfluoroalkyl Substances (PFAS) Cleanup**—A reduction of \$70 million General Fund in 2023-24 and a delay of an additional \$30 million General Fund to 2024-25. This maintains approximately \$130 million (65 percent) of PFAS cleanup resources.
- **Water Recycling**—A reduction of \$40 million General Fund in 2023-24. This maintains approximately \$760 million (95 percent) to support water recycling and groundwater clean-up.
- **State Water Efficiency and Enhancement Program**—A reduction of \$40 million General Fund in 2022-23. This maintains approximately \$120 million (75 percent) to support farm water use efficiency projects.
- **Aqueduct Solar Panels**—A reduction of \$15 million General Fund in 2021-22. This maintains approximately \$20 million (57 percent) to support aqueduct solar panel pilot studies.
- **Water Refilling Stations at Schools**—A reduction of \$5 million General Fund in 2022-23, which eliminates funding for this purpose.

Extreme Heat

- **Urban Greening Program**—A reduction of \$100 million General Fund in 2023-24. This maintains approximately \$150 million (60 percent) for this program.
- **Extreme Heat and Community Resilience Program**—A reduction of \$25 million General Fund in 2022-23 and \$50 million in 2023-24. This maintains approximately \$100 million (57 percent) for this program.
- **Urban Forestry Program**—A reduction of \$20 million General Fund in 2022-23 and \$10 million in 2023-24. This maintains approximately \$80 million (73 percent) for this program.
- **Community Resilience Centers**—A delay of \$85 million General Fund to 2024-25. This program remains fully funded, but the funds would be provided later than initially allocated.



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- **Regional Climate Resilience**—A reduction of \$25 million General Fund in 2022-23 and \$100 million in 2023-24. This maintains approximately \$125 million (50 percent) for this program.
- **Transformative Climate Communities Program**—A reduction of \$65 million General Fund in 2022-23 and \$40 million in 2023-24. This maintains approximately \$315 million (75 percent) for this program.
- **Community Air Protection Program**—A reduction of \$50 million in 2023-24 for this program, which includes a shift of \$250 million to the Greenhouse Gas Reduction Fund. This maintains approximately \$560 million (92 percent) for this program.

Health and Human Services

- **Expanding Health Care Access and Delivery System Transformation**—The Budget maintains \$844.5 million (\$635.3 million General Fund) in 2023-24, \$2.1 billion (\$1.6 billion General Fund) in 2024-25, and approximately \$2.5 billion (\$2 billion General Fund) ongoing, inclusive of In-Home Supportive Services costs, to expand full-scope Medi-Cal eligibility to all income-eligible adults ages 26 to 49 regardless of immigration status on January 1, 2024. Additionally, the Budget maintains the approximately \$10 billion total funds commitment to continue transforming the health care delivery system through California Advancing and Innovating Medi-Cal (CalAIM).
- **Behavioral Health Continuum**—The Budget maintains over \$8 billion total funds across various Health and Human Services departments to expand the continuum of behavioral health treatment and infrastructure capacity and transform the system for providing behavioral health services to children and youth.
- **Community Assistance, Recovery & Empowerment (CARE) Act**—The Budget maintains \$88.3 million General Fund for county start up and state implementation and proposes additional funding for ongoing costs.
- **Child Care**—The state reached an historic agreement with Child Care Providers United – California to collectively bargain reimbursement rate increases. The Budget maintains over \$2 billion annually to expand subsidized child care slot availability.
- **Public Health Infrastructure Investment**—The Budget maintains \$300 million ongoing General Fund to modernize state and local public health infrastructure and transition to a resilient public health system. Of this amount, \$100 million General Fund supports increased state public health capacity in foundational public health areas such as emergency preparedness and response and workforce development and training. The remaining \$200 million General Fund is for local health jurisdictions to expand public health staffing and reduce health disparities.
- **Healthcare Workforce**—The Budget maintains over \$1 billion General Fund to the Department of Health Care Access and Information (HCAI) to strengthen and expand the state’s health and human services workforce.
- **California’s Behavioral Health Community-Based Continuum Demonstration**—The Budget includes \$6.1 billion (\$314 million General Fund, \$175 million Mental Health Services Fund, \$2.1 billion Medi-Cal County Behavioral Health Fund, and \$3.5 billion federal funds) over five years for the Department of Health Care Services and the



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Department of Social Services to implement the Behavioral Health Community-Based Continuum Demonstration, effective January 1, 2024.

- **Managed Care Organization Tax**—The Budget proposes the renewal of the Managed Care Organization (MCO) Tax effective January 1, 2024, through December 31, 2026, to help maintain Medi-Cal program funding for the Medi-Cal expansion to all income eligible individuals and minimize the need for reductions to the program.
- **Reproductive Health Services 1115 Waiver**—The Budget includes \$200 million (\$15 million General Fund) in 2024-25 for a grant program through an 1115 federal demonstration waiver focused on supporting access to family planning and related services, system transformation, capacity, and sustainability of California’s safety net. This funding builds on the 2022 Budget Act investments for reproductive health services and continues California’s progress to provide comprehensive family planning and related services as California grapples with the effects of recent federal actions.
- **CalAIM Transitional Rent Waiver Amendment**—The Budget includes \$17.9 million (\$6.3 million General Fund) in 2025-26 increasing to \$116.6 million (\$40.8 million General Fund) at full implementation to allow up to six months of rent or temporary housing to eligible individuals experiencing homelessness or at risk of homelessness and transitioning out of institutional levels of care, a correctional facility, or the foster care system and who are at risk of inpatient hospitalization or emergency department visits.
- **Community Assistance, Recovery & Empowerment (CARE) Act**—The Budget includes \$16.5 million General Fund in 2023-24, \$66.5 million General Fund in 2024-25, \$108.5 million in 2025-26 and annually thereafter to support estimated county behavioral health department costs for the CARE Act (Chapter 319, Statutes of 2022). The Act requires Cohort I counties to implement the CARE program beginning October 2023 and Cohort II counties beginning December 2024. The Administration will continue to work with counties and stakeholders to refine the ongoing program cost estimate. For Judicial Branch and legal services funding, see the Judicial Branch Chapter.
- **Behavioral Health Bridge Housing Program**—The Budget delays \$250 million General Fund of the total \$1.5 billion General Fund to 2024-25 for the Behavioral Health Bridge Housing Program. The Budget maintains a \$1 billion General Fund in 2022-23 and \$250 million General Fund in 2023-24 for this program.
- **Behavioral Health Continuum Infrastructure Program**—The Budget delays the last round of behavioral health continuum capacity funding of \$480.7 million General Fund appropriated in the 2022 Budget Act for 2022-23 to \$240.4 million in 2024-25 and \$240.3 million in 2025-26
- **Emergency Response and SMARTER Plan Implementation**—The Budget reflects \$176.6 million General Fund in 2023-24 to continue the state’s efforts to protect the public’s health against COVID-19, consistent with the Administration’s SMARTER Plan, and maintain significant information technology systems, including the California COVID Reporting System for laboratory data management and CalCONNECT for case and outbreak investigation.
- **Current Year 2022-23 COVID-19 Response**—The Budget assumes reduced COVID-19 direct response expenditures of approximately \$614 million California Emergency Relief



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Fund in 2022-23 compared to the 2022 Budget Act. The decrease is driven in part by reduced response activities since the peak of the COVID-19 Pandemic.

- **Public Health Climate and Health Resilience Planning**—The Budget reduces \$25 million General Fund in 2022-23 for Climate and Health Resilience Planning Grants. If there is sufficient General Fund in January 2024, this reduction will be restored. See the Introduction and Climate Change Chapters for further information.
- **Partial Public Health Workforce Reductions**—The Budget reduces funding for various public health workforce training and development programs by \$49.8 million General Fund over four years to help address the budgetary problem.

Housing and Homelessness

Governor Gavin Newsom makes it clear that accountability is fundamental as it pertains to his proposed \$15.3 billion homelessness package. The budget proposal states that California, cities, and counties must plan for more than 2.5 million homes over the next eight years.

The 2023 proposed budget includes \$350 million in *reductions* related to housing programs that were included as part of the 2022 Budget Act. Despite these reductions, funding for these housing programs remains at approximately 88 percent of the allocations made in 2022-23 and proposed for 2023-24 (\$2.85 billion). If there is sufficient General Fund in January 2024, these reductions will be restored.

The 2023 proposed budget includes:

- **\$3.4 billion**— General Fund in 2023-24 to maintain the state’s efforts to address homelessness, as committed to in prior budgets.
- **\$400 million**— for a third round of encampment resolution grants
- **\$1 billion**— for a fifth round of HHAP grants, conditional on proposed statutory changes requiring greater accountability in the planning and expenditure of these critical homelessness resources.
- Maintains funding for the Behavioral Health Bridge Housing Program (for more information, see the Health and Human Services Chapter)
- **Dream For All**—The Budget proposes to revert \$200 million of the \$500 million one-time General Fund in 2023-24. This proposal will not impact the Administration’s commitment or timeline for implementing the program.
- **CalHome**—The 2022 Budget Act included \$350 million one-time General Fund (\$250 million in the 2022 Budget Act and \$100 million committed for 2023-24) for the Department of Housing and Community Development’s CalHome program. The Budget proposes to remove \$100 million one-time General Fund in 2023-24.
- **Accessory Dwelling Unit Program**—The 2022 Budget Act included a \$50 million one-time General Fund for the California Housing Finance Agency’s Accessory Dwelling Unit program. The Budget proposes to revert \$ 50 million one-time General Fund in 2022-23.



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- **Homeless Housing, Assistance and Prevention (HHAP) Program**—The Administration has provided \$3 billion to local governments through four rounds of the (HHAP) Program. A newly enacted requirement within HHAP requires local governments to submit local action plans that reflect outcome goals that grantees commit to achieving over the specified funding period. The first iteration of these plans made clear that more ambition is required—and more directly from the state is necessary. Accordingly, the Administration plans to work with the Legislature this year to advance homeless accountability legislation.

Transportation

The Budget proposes a net reduction of \$2 billion over three years to future transit infrastructure funding. Despite the proposed reduction, California will continue to benefit from not only the large increase in federal funding but the remaining \$5.7 billion augmentation to transit and rail infrastructure funding, maintaining California's ability to strongly compete for and leverage available federal funding and make significant improvements to transit and rail connectivity statewide. The Administration also continues to seek opportunities to streamline and accelerate project delivery.

- **Transit Intercity Rail Capital Program**—A reduction of planned funding in 2023 and 2024 from \$2 billion each year to \$1 billion in 2023-24 and \$500 million in each of 2024-25 and 2025-26. These funds are set to be allocated proportionally, by region, based on population. This maintains approximately \$5.7 billion (74 percent) of the original \$7.7 billion planned additional funds for local transit capital infrastructure projects. If there is sufficient General Fund in January 2024, this reduction will be restored. See the Introduction Chapter for further information on this trigger.
- **Active Transportation Program**—A reduction of \$500 million General Fund, with \$300 million of the reduction being restored from State Highway Account funds, for a net reduction of \$200 million. This will allow the program to sustain all of the programming capacity approved in the 2023 programming cycle. This maintains approximately \$850 million (81 percent) of the original \$1.05 billion of additional funds for projects that increase the proportion of trips accomplished by walking or biking and increase the safety and mobility of non-motorized users.
- **Climate Adaptation Program**—A shift of \$200 million General Fund with \$200 million State Highway Account funding, leaving unaffected the project funding that supports climate resiliency and reduces infrastructure risk.
- **Safety Grade Separations**—A delay of \$350 million of funding originally planned to be available in 2023-24, which will instead be made available in 2025-26. Given the multi-year nature of these types of projects, this shift should not significantly impact the ability to deliver the same number of originally planned projects that improve safety for people walking, biking, and driving at rail crossings.



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Labor and Workforce Development

The 2022 Budget invested approximately \$2.2 billion General Fund to create additional apprenticeships; provide training to mitigate the effects of climate change; provide job training and other assistance to the justice-involved population; and create more innovative and accessible opportunities to recruit, train, hire, and advance an ethnically and culturally inclusive health and human services workforce. Even with the reductions noted below that are required to address the budget problem, the Budget maintains \$2.065 billion for these purposes:

- **COVID Workplace Outreach Program**—The 2022 Budget Act committed \$50 million General Fund over two years (\$25 million in each 2022-23 and 2023-24) to the Department of Industrial Relations to partner with organizations to perform COVID outreach and education to workers and employers in high-risk industries. The Budget proposes the elimination of \$25 million in 2023-24.
- **California Youth Leadership Program**—The 2022 Budget Act committed \$60 million General Fund over three years (\$20 million in each 2022-23, 2023-24, and 2024-25) to the California Workforce Development Board to invest in career pathway programs at community colleges. The Budget proposes to withdraw \$20 million (\$10 million in each 2023-24 and 2024-25)—reducing the total three-year investment to \$40 million. If there is sufficient General Fund in January 2024, this reduction will be restored. See the Introduction Chapter for further information on this trigger.
- **California Climate Action Corps**—The Budget proposes \$4.7 million General Fund in 2023-24 through 2025-26, and \$9.4 million ongoing to make this program permanent and double the number of Climate Corps members from 115 to 230.
- **Youth Jobs Corps Program**—The Budget proposes \$78.1 million ongoing General Fund to make the CaliforniansForAll Youth Jobs Corps program permanent while providing pathways for undocumented Californians with work authorization.
- **Technical Assistance for Small Businesses**—\$6 million General Fund in 2022-23, and \$26 million ongoing, was appropriated to permanently extend the California Office of the Small Business Advocate’s Small Business Technical Assistance Program and Capital Infusion Program, and \$8 million one-time General Fund to support Women’s Business Centers
- **California Small Business COVID-19 Relief Grant Program**—The Budget proposes to remove approximately \$92 million General Fund from this program due to declining General Fund revenues. This is the estimated amount remaining after all grants have been awarded to eligible businesses.
- **Small Business and Nonprofit COVID-19 Supplemental Paid Sick Leave Grants**—\$250 million one-time General Fund has been appropriated for relief grants for small businesses and nonprofits to offset costs of their employees who used the state’s supplemental COVID-19 paid sick leave.
- **Small Agricultural Business Drought Relief Grant Program**—\$75 million one-time General Fund was allocated to provide direct assistance to eligible agriculture-related businesses affected by severe drought conditions



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- **Film and Television Tax Credit**—\$330 million per year beginning in 2025-26 to extend the existing program and make the credit refundable to benefit a wider range of productions and ensure the competitive program will maximize economic benefits to the state.
- **The federal CHIPS (Creating Helpful Incentives to Produce Semiconductors)**— To further leverage federal funds available under the CHIPS Act and to encourage semiconductor manufacturing and research and development in California, the Budget includes an extension of the California Competes grant program and changes to the state’s existing New Employment Credit as described below.



AGENDA ITEM 6
REPORT

Southern California Association of Governments
Remote Participation Only
January 17, 2023

To: Legislative/Communications and Membership Committee (LCMC)

**EXECUTIVE DIRECTOR'S
APPROVAL**

From: Kevin Gilhooley, Department Manager
(213) 236-1878, Gilhooley@scag.ca.gov

Subject: 2023 State Legislative Outlook and Legislative Priorities

RECOMMENDED ACTION:

Information Only – No Action Required

STRATEGIC PLAN:

This item supports the following Strategic Plan Goal 2: Advance Southern California’s policy interests and planning priorities through regional, statewide, and national engagement and advocacy.

EXECUTIVE SUMMARY:

This report is an outlook for legislative and budgetary activity in 2023.

Now that the 2023 Legislative Session has begun, legislators are introducing bills in earnest. The report below includes a summary and legislative history of four bills that staff anticipates will require SCAG’s attention and leadership. The four bills relate to prioritizing local transportation projects consistent with state climate goals, funding for highway capacity projects, California’s greenhouse gas reduction goals, and housing on higher educational and religious institutions.

The second half of this report seeks feedback and direction from the Committee on legislative priorities that could be featured in SCAG’s annual Legislative Advocacy Summit to Sacramento. To assist the Committee in this discussion, staff included five draft priorities. These priorities include continued support for the Infill Infrastructure Grant program, protecting transportation budgetary investments, postponing any new RHNA reform legislation, collaborative Sustainable Communities Strategy reform, or California Environmental Quality Act streamlining and modernization. The feedback and direction from this report will assist staff in identifying priorities for SCAG’s Legislative Summit in Sacramento.

BACKGROUND:**Priority Legislation for Discussion:****Bill:** AB 6 **Author:** Assemblymember Laura Friedman (D-Glendale)**Title:** Prioritizing transportation projects consistent with state climate goals.**Status:** Introduced on 12/05/22, pending referral to policy committee

This bill is currently in “spot bill” form and will be amended at a later time with more substantive language. Currently, the bill says, it would be the intent of the Legislature to enact subsequent legislation that would require regional transportation agencies to prioritize and fund transportation projects, including those funded by a local sales tax measure, that significantly contribute towards the goals outlined in a region’s sustainable communities strategy and the State’s climate goals. No additional language or information is available on this bill, and it currently has no co-authors.

This bill is similar to provisions contained in last year’s AB 2237, also authored by Assemblymember Friedman. AB 2237 would have prohibited any funds collected from any local transportation tax measure passed on or after January 1, 2023, from being spent until that measure’s projects and programs are included in a region’s Regional Transportation Plan/ Sustainable Communities Strategy. Projects that use state or federal funds, require a federal action or permit, or are regionally significant will already be included in the RTP/SCS. AB 2237’s provision would have introduced a precedent that allows the state to dictate parameters on locally approved transportation sales tax measures, jeopardizing the ability of local agencies to secure voter approval for new measures or extend current ones. Because of this and other concerns related to this bill, SCAG took an “oppose unless amended” position on AB 2237. After AB 2237 passed the Assembly floor (41-27-10), the bill was held in the Senate Transportation Committee.

Bill: AB 7 **Author:** Assemblymember Laura Friedman (D-Glendale)**Title:** State transportation funding for capacity projects.**Status:** Introduced on 12/05/22, pending referral to policy committee

This bill is currently in “spot bill” form and will be amended at a later time with more substantive language. Currently, the bill says, it would be the intent of the Legislature to enact subsequent legislation that would eliminate single occupancy vehicle freeway capacity projects. The bill also states that it would allow freeway capacity projects only for bus rapid transit, rail, active transportation purposes, projects that significantly add safety, and projects that significantly reduce congestion, without interfering with existing maintenance and rehabilitation needs. No additional language or information is available on this bill, and it currently has no co-authors.

This bill is similar to AB 1778 (2022), authored by former Assemblymember Cristina Garcia (D-Bell Gardens). AB 1778 would have prohibited any state funds or personnel time from being used to fund or permit freeway projects in areas that fall within the zero to 50th percentile on the California Healthy Places Index. The “California Healthy Places Index” is an online resource developed by the

Public Health Alliance of Southern California that describes local factors and explores community conditions that impact life expectancy. SCAG opposed AB 1778. The bill later failed passage in the Senate Transportation Committee on 06/29/22 (8-2-7).

Bill: AB 9 **Author:** Assemblymember Al Muratsuchi (D-Torrance)
Title: California Global Warming Solutions Act of 2006: emissions limit.
Status: Introduced on 12/05/22, pending referral to policy committee

This bill would raise the statewide Greenhouse Gas (GHG) reduction goal from 40 percent to 55 percent below the 1990 level by December 31, 2030.

This bill is identical to last year's AB 2133 (2022), authored by former Assemblymember Bill Quirk (D-Hayward). This bill was a gut-and-amend late in the 2022 legislative session, so the LCMC did not have an opportunity to review it before the legislature adjourned. AB 2133 was the only bill in the 2022 climate package to fail, however. After passing the Senate 21-10-9, AB 2133 fell four votes short in the Assembly and failed. The Assembly vote was 37-21-22

Bill: SB 4 **Author:** Senator Scott Wiener (D-San Francisco)
Title: Housing development on higher education institutions and religious institutions.
Status: Introduced on 12/05/22, pending referral to policy committee

This bill would allow for the by-right development of a housing project on any land owned by an independent institution of higher education or religious institution on or before January 1, 2024. Certain exceptions apply, including: the property cannot be adjoined to any site where more than 1/3 of that site is dedicated to industrial use. The bill would require 100 percent of the units to be affordable, except that up to 20 percent of the units could be reserved for moderate-income households. This bill is being co-authored by Senate Transportation Committee Chair Lena Gonzalez (D-Long Beach), Assembly Housing Committee Chair Buffy Wicks (D-Berkeley), and Assemblymember Tina McKinnor (D-Inglewood).

SB 4 is similar to last year's AB 2244 (2022), authored by Assembly Housing Committee Chair Buffy Wicks (D-Oakland). AB 2244 allows the developer of a new place of worship, when also constructing housing on the same site, to reduce by 50 percent the number of religious use parking spaces required for a newly constructed place of worship. SCAG did not take a position on AB 2244. After receiving zero "no" votes in the Assembly or Senate, Governor Newsom signed AB 2244 into law, and it took effect on January 1, 2023.

Legislative and Budgetary Priorities:

Staff is in the planning stages of a legislative advocacy summit in Sacramento, with the goal of arranging the summit during the week of April 16, 2023. After the LCMC's deliberations and recommendation, the Regional Council approved its 2023 State & Federal Legislative Platform at its January 5, 2023 meeting. Because the Legislative Platform includes 123 separate principles, staff seeks the Committee's help and direction in identifying the top three legislative issues to be featured in this year's advocacy summit.

Staff provides examples of specific issues which the LCMC may consider prioritizing.

1. Infill Infrastructure Grant Program – Continued support for robust investment in the Infill Infrastructure Grant Program.

The IIG is a public-private partnership between affordable housing developers and a city or county that provides funding for the infrastructure that supports higher-density affordable and mixed-income housing in climate-friendly, infill locations. The program can fund infrastructure improvements, such as the development or rehabilitation of parks or open space, water, sewer, or other utility service improvements; street or road improvements; transit linkages, transit shelters, and traffic mitigation features; or sidewalks and streetscape improvements.

Through the current 2022-23 Fiscal Year (FY) budget, the IIG received a total investment of \$575 million. While Governor Newsom's January Budget proposal does not include any new funding for the IIG, the Governor's budget does not propose to claw back any of the funds previously committed to this program.

2. Protect Transportation Budget Priorities – In the wake of record-breaking discretionary budget surpluses, the Governor and Legislative Leadership crafted a \$15 billion transportation package last year. Now that the January budget anticipates a budget deficit nearing \$22.5 billion, the Governor proposes to claw back portions of that deal.

As part of last year's transportation package, the Legislature agreed to authorize the sale of the remaining \$4.2 billion of Proposition 1A bonds to support the construction of the High-Speed Rail project in the Central Valley. The approved package also made targeted investments in a number of other programs that increase mobility options for Californians through safety, rail, transit, and active transportation projects.

For example, the enacted state budget for the current 2022-23 Fiscal Year (FY) provided \$7.7 billion in General Fund resources, over four years, to invest in high-priority transit and rail infrastructure projects throughout the state, administered through the Transit and

Intercity Rail Capital Program (TIRCP). In his January Budget presented on January 10, 2023, Governor Newsom proposes to reduce the allocation from \$2 billion to \$1 billion for FY 2023-24 and provide only \$500 million each for FYs 2024-25 and 2025-26. The January Budget would maintain approximately \$5.7 billion (74 percent) of the original \$7.7 billion planned additional funds for TIRCP.

In addition, the enacted state budget provides \$1.05 billion for the State's Active Transportation Program (ATP), which funds projects that encourage walking and biking and increase the safety and mobility of non-motorized users. In the Governor's January Budget, he proposes reducing this allocation by \$200 million. The January Budget would maintain approximately 81 percent of the original \$1.05 billion planned funds for the ATP.

- 3. Postpone any new Regional Housing Needs Assessment (RHNA) Legislation** – Postpone any legislation that would reform or further complicate the RHNA methodology and distribution process until the department of Housing and Community Development (HCD) has completed its statutorily required recommendations to reform the RHNA, a process which is due to the Legislature by December 31, 2023.

State Housing Law mandates the RHNA as part of the periodic process of updating local housing elements. In March 2020, SCAG adopted its 6th cycle RHNA allocation plan, covering the planning period from October 2021 through October 2029. For the 6th cycle, HCD allotted the SCAG region a regional determination of 1,341,827 housing units, which was distributed to all 197 jurisdictions in the region.

AB 101 (2019) required HCD, in collaboration with the Office of Planning and Research, and after engaging in stakeholder participation, to develop a recommended, improved RHNA process and methodology that promotes and streamlines housing development and substantially addresses California's housing shortage. This report was originally due to the Legislature on December 31, 2022, but SB 197 (2022) extended this deadline by one year. In addition, SB 197 required HCD to provide the Legislature with an update on its progress by July 1, 2023.

- 4. SB 375/ Sustainable Communities Strategies Reform** – In collaboration with other Metropolitan Planning Organizations and stakeholders, explore potential improvements to SB 375 Sustainable Communities Strategies program, with the goal of focusing on implementation and ambitious yet achievable actions that will reduce greenhouse gas emissions in partnership with the State.

In 2008, Governor Arnold Schwarzenegger signed SB 375 (2008) into law. This bill directed the California Air Resources Board (CARB) to establish regional targets for reducing

greenhouse gas emissions from the automobile and light-duty truck sectors for 2020 and 2035. The law requires Metropolitan Planning Organizations to create Sustainable Communities Strategies in conjunction with their Regional Transportation Plans. SB 375 established a “bottom-up” planning approach to ensure that local cities, counties, and county transportation commissions are involved in the development of regional plans to achieve those GHG reduction targets.

In 2017, the Legislature passed SB 150 (2017), which tasks CARB with issuing a progress report every four years that assesses the progress each MPO has made in meeting the regional GHG emission reduction targets. In response to these reports and others, many legislators introduced bills that would reform the SB 375 program.

5. **California Environmental Quality Act (CEQA) Reform** – Support legislative efforts that continue to modernize and streamline CEQA, especially for infill, transit-oriented, and housing projects.

Over the past few years, the Legislature has signaled its willingness to make modest changes to CEQA for priority infill, housing, and zero-emission transportation projects that help California achieve its ambitious climate and housing goals. Examples of successful bills recently passed include:

- **AB 101 (2019)** – A budget trailer bill on housing programs that allowed the development of “Low Barrier Navigation Centers” to be a use by right in areas zoned for mixed uses and non-residential zones permitting multifamily uses. A low-barrier navigation center is a homeless shelter that provides temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing.
- **SB 288 (2020)** – Authored by Senator Scott Wiener (D-San Francisco), this bill provided a CEQA exemption, until 2023, for various transit-related projects such as pedestrian and bicycle facilities projects, transit prioritization projects, and projects for the institution of new bus rapid transit, bus, or light rail service on existing public rights-of-way or existing highway rights-of-way.
- **SB 7 (2021)** – Authored by Senate Pro Tem Toni Atkins (D-San Diego), which extends and expands the CEQA streamlining process created for environmental leadership development projects under AB 900 (Chapter 354, Statutes of 2011) and expands the program’s eligibility to include certain smaller housing projects.

- **SB 10 (2021)** – Authored by Senator Scott Wiener (D-San Francisco), which allows a city or county to pass an ordinance to zone any parcel for up to 10 residential units if the parcel is in a transit-rich area or an urban infill site.
- **SB 44 (2021)** – Authored by Senator Ben Allen (D-Santa Monica), which grants expedited judicial review for zero-emission, environmental leadership transit projects in Los Angeles County.
- **SB 922 (2022)** – Also authored by Senator Wiener, this bill expands SB 288, mentioned above, a CEQA exemption bill for certain transit, bicycle, and pedestrian projects, and extends these exemptions from 2023 to 2030.

For several years, the SCAG legislative platform has expressed support for modernizing CEQA and project streamlining generally. Over the decades, CEQA has been abused to threaten, halt, or indefinitely stop responsible community improvements, such as housing, public transit, infill development, renewable energy, and other crucial projects throughout California.

Recommendation:

Staff recommends that the LCMC receive the update related to the legislative bills that will require SCAG attention and leadership.

In addition, staff recommends that the LCMC provide feedback and/or direction on the agency’s top three legislative priorities that could be featured in SCAG’s annual Legislative Advocacy Summit to Sacramento. If the Committee so directs, staff could also conduct additional research and issues not already proposed in the staff report and bring that information to February 21, 2023, LCMC meeting.

FISCAL IMPACT:

Work associated with the 2023 State Legislative Outlook is contained in the Indirect Cost budget, Legislation 810-0120.10.