

**Metropolitan Transportation Commission and Association of Bay Area Governments**  
**Joint MTC ABAG Legislation Committee**

**May 13, 2022**

**Agenda Item 3c**

**Fiscal Year (FY) 2022-23 State Budget Update**

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**Subject:**

Update on FY 2022-23 State Budget Negotiations and Governor's FY 2022-23 May Revise Proposal.

**Summary:**

The Governor's May Revision to the FY 2022-23 State Budget is anticipated by May 13, 2022 and it is widely expected that Governor Newsom will continue to propose directing a significant share of the General Fund surplus to capital investments, including transportation and housing. Governor Newsom's January Budget proposal projected a roughly \$45 billion budget surplus, however the state's Legislative Analyst's Office in February found that revenues would very likely *exceed* that January budget projection by \$5 billion to \$20 billion.

The Governor in March released an \$11 billion supplementary budget proposal in response to high gasoline prices, including \$9 billion in tax refunds tied to vehicle ownership, \$750 million to subsidize free transit, an additional \$500 million for the Active Transportation Program (ATP) (doubling the January budget proposal for ATP). The Governor also reiterated his request to halt a scheduled increase in the state's gas and diesel excise taxes (an automatic Consumer Price Index adjustment) and proposed a cut to the diesel sales tax. Democratic leadership in both houses are identifying their own spending priorities—including housing and transportation investments.

MTC and our Bay Area transportation partners have shared our support for a transportation package of at least \$10 billion, with at least \$5 billion for public transit statewide, paired with the Governor's request for the legislature to appropriate \$4.2 billion in Proposition 1A bonds for high-speed rail. MTC and ABAG have also requested \$7 billion for affordable housing in this year's budget and \$5 billion over three years for homelessness assistance.

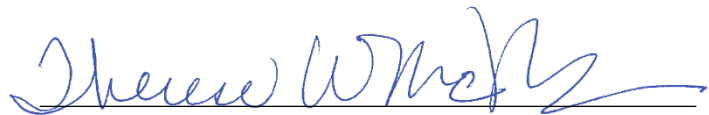
On April 28, Senate Democrats released a new document outlining their budget priorities, “Putting Wealth to Work,” (see Attachment A). The proposal lists multi-year infrastructure investments, a historic climate package, access to home ownership and affordable housing and enhanced homelessness reduction investments among its priorities. Senate Democrats are calling for a \$20 billion, four-year package for transportation with the third and fourth years subject to appropriation. This is double our \$10 billion transportation request for FY 2022-23, though the specific amount proposed for next year is not yet known. With respect to affordable housing, the topline amount is \$2.7 billion, including \$500 million for Multifamily Housing Program (MHP) and \$500 million for the Housing Accelerator Program (HAP). While funding for MHP and HAP is a step forward since neither were proposed for funding in the Governor’s January budget, this is five times below the \$5 billion for these two programs that we endorsed and that is being championed by a statewide affordable housing advocacy coalition. With respect to climate, the proposal includes \$3.3 billion to address sea level rise over multiple years. Lastly, the proposal also includes an \$8 billion tax rebate to assist households with rising costs due to overall inflation and unprecedented energy costs.

Given the May Revise may not be released until the day of the committee meeting, staff will provide a verbal update with any late breaking news.

**Recommendation:** Information

**Attachments:**

- Attachment A: Senate Democrat Budget Proposal



Therese W. McMillan



## **SENATE BUDGET PLAN**

# Putting California's Wealth to Work *for a* More Equitable Economy

**DETAILED SENATE BUDGET PRIORITIES**



**2022-23 STATE BUDGET**

*#PuttingWealthToWork*



# SENATE BUDGET PLAN

## EVOLUTION



**STEP #1:** Key Values.....December 2021

» **STEP #2:** Detailed Senate Budget Priorities.....Included

**STEP #3:** Senate/Legislature Version.....Late May

**STEP #4:** Final Version.....Mid June



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# SENATE BUDGET PLAN

## INTRODUCTION

- » California's rebounding economy is strong, but increasingly, wealth has gone to the top while leaving the middle class and struggling families behind.
- » Additionally, inflation and high energy prices brought on by world events & corporate greed are hurting the middle class and struggling families.
- » Thankfully, California's common sense, voter-approved revenue system ensures those that have prospered the most contribute their share.
- » "Putting Wealth to Work" builds on last year's Senate Plan, providing further opportunity to put California's wealth to work to build a more equitable economy.



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# SENATE BUDGET PLAN

## INTRODUCTION

- » “Putting Wealth To Work” is based on the latest fiscal information and adds \$65 billion\* in combined current year and budget year revenues to the Governor’s forecast.
- » This results in \$68 billion of total unallocated General Fund resources, up from \$29 billion in January forecast, and \$37 billion of total unallocated Proposition 98 resources, up from \$13 billion in January forecast.
- » “Putting Wealth to Work” reflects the significant economic uncertainty in the nation and the world and continues responsible budgeting:
  - Allocates one-time revenues for one-time purposes.
  - Builds reserves to historic levels to protect ongoing programs from future economic downturns.

(\*Based on very early update from LAO, official May forecasts from LAO and DOF will likely differ)



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# SENATE BUDGET PLAN

## INTRODUCTION

»» “Putting Wealth to Work” includes bold priorities throughout the entire budget, but it is important to set expectations with understanding that not everything will be achieved this year.

Reasons include:

- Fiscal estimates used are preliminary and will be adjusted once the official forecasts are completed in May.
- The Final Budget will need to be negotiated with the Assembly and then the Governor.

»» Priorities outlined in “Putting Wealth to Work” that are not achieved this year will still benefit from being elevated as Senate priorities, helping their inclusion in future budgets.



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# SENATE BUDGET PLAN

## INTRODUCTION

### ***Putting Wealth to Work Priorities***

- Responsible & Resilient Budget.
- Better For Families Rebate Plan.
- Support for Small Businesses and Nonprofits.
- Historic Multi-Year Infrastructure Investments.
- Strengthened Early Care and K-12 Education.
- Improved Higher Education.
- Expanded Financial Aid and Path to Debt Free College.
- Historic Climate Package.
- Support for Struggling Californians and Families.
- Expanded Access to Affordable Healthcare, Improved Public Health, and Strengthened Mental Health Services.
- Access to Home Ownership and Affordable Housing.
- Enhanced Homelessness Reduction Investments.
- Improved Public Safety and Judicial Systems.
- Strengthened Workforce.



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# SENATE BUDGET PLAN



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# SENATE BUDGET PLAN

## PUTTING WEALTH TO WORK

### ***To Build A Responsible and Resilient Budget:***

» Historic Reserves. \$43.1 billion in total reserves, including:

- \$24.0 billion: Rainy Day Fund.
- \$10.1 billion: Prop 98 Rainy Day Fund.
- \$3.0 billion: Safety Net Reserve.
- \$6.0 billion: Regular Reserve (SFEU).



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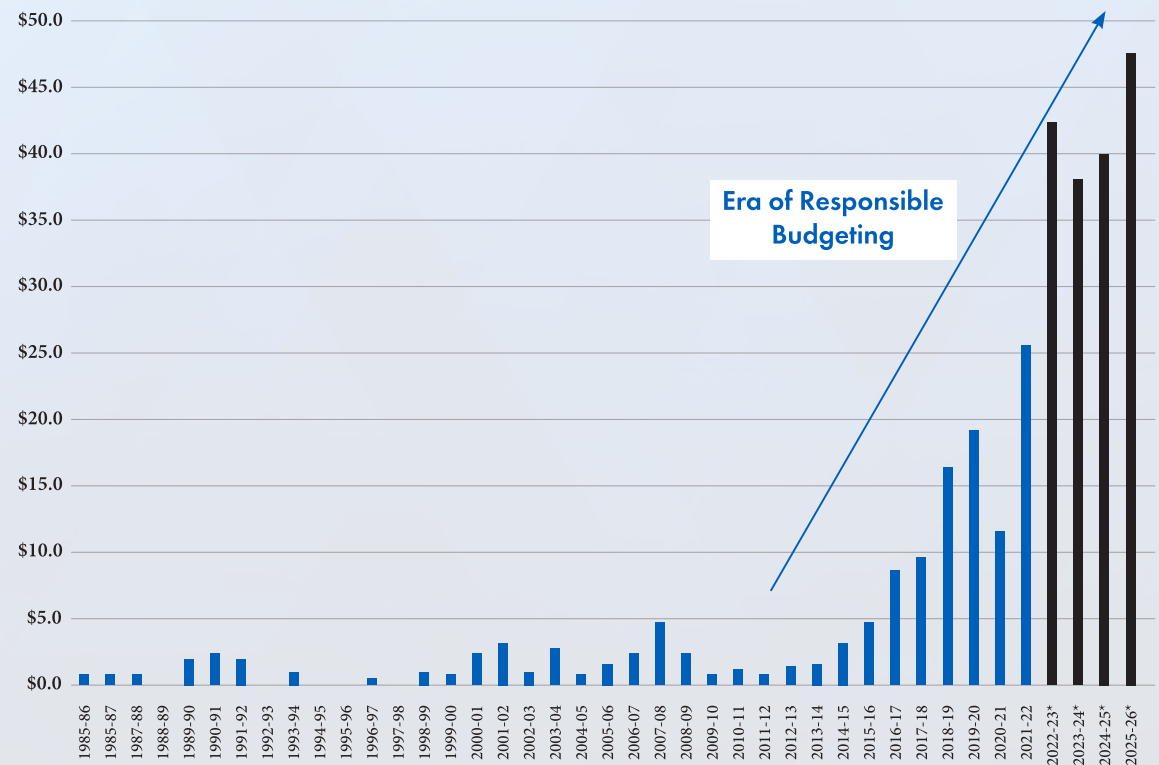
# SENATE BUDGET PLAN

## PUTTING WEALTH TO WORK

### To Build A Responsible and Resilient Budget:

**“Putting Wealth to Work”  
Budget Continues Democrats’  
Responsible Budgeting Practices**

*History of Budget Act General  
Fund Reserves (in billions)*



\* “Putting Wealth to Work” Forecast



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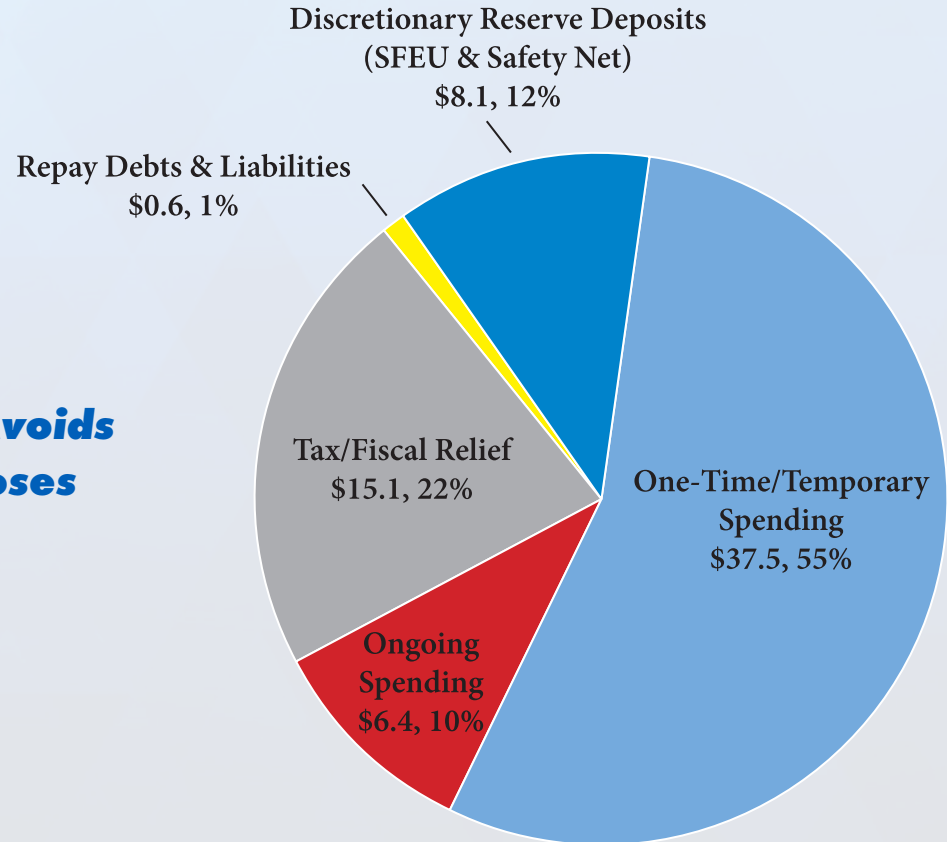
# SENATE BUDGET PLAN

## PUTTING WEALTH TO WORK

### *To Build A Responsible and Resilient Budget:*

#### ***“Putting Wealth to Work” Avoids Overcommitting to Ongoing Purposes***

*90% of Available Resources Allocated to Reserves/One-Time Purposes (in billions)*



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# SENATE BUDGET PLAN

## PUTTING WEALTH TO WORK

### ***With Early Action to Provide Tax Rebates to Relieve Families from Inflationary Costs:***

» **Better For Families Tax Rebates.** Provides \$8 billion for the “Better For Families Rebate” Program to mitigate impacts of high energy costs and other goods, as well as the economic impacts of the pandemic.

- \$200 per taxpayer plus \$200 for dependents, up to \$125,000/\$250,000 income (Single/Joint filers).
- Supplemental one-time monthly grant for CalWORKs families and SSI/SSP recipients, to ensure Californians struggling the most benefit.
- Grant program for other low-income Californians who are not income tax filers.



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# SENATE BUDGET PLAN

## PUTTING WEALTH TO WORK

### **To Support Small Business and Nonprofits:**

- » **Rebates to Reimburse UI Costs.** Provides Small Business, with up to 250 employees, rebates for the costs of repaying federal unemployment debt.
  - Intent is for rebates to be provided through the full 10 year repayment period, roughly a \$10 billion cost over ten years. This plan appropriates funds for the rebates through 2024, with rebates beyond then requiring additional appropriation.
- » **Relief Grants for Paid Sick Leave Costs.** Establishes a third party administered grant program for Small Businesses and Nonprofits, with up to 150 employees, to offset costs incurred by recently enacted Paid Sick Leave program.



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# SENATE BUDGET PLAN

## PUTTING WEALTH TO WORK

### **To Build on Governor's \$20 billion for Infrastructure with Historic Multi-Year Proposals.**

- » **Transportation Package.** Builds on the Governor's \$5 billion General Fund proposal to create a \$20 billion, four-year package, with third and fourth years being subject to appropriation.
- » **Climate Package.** Much of the \$18 billion Climate Package is for infrastructure and capital outlay.
- » **Behavioral Health Facilities.** Accelerates implementation of the 2021-22 appropriation of \$2 billion for construction of local behavioral health beds.
- » **Food Banks.** \$180 million to expand capacity and improve facilities for local food banks.

(some items mentioned here are also highlighted in specific policy area slides)



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# SENATE BUDGET PLAN

## PUTTING WEALTH TO WORK

### **To Build on Governor's \$20 billion for Infrastructure with Historic Multi-Year Proposals.**

- » **School Facilities and Deferred Maintenance.** \$4.5 billion above the Governor's proposal for school facilities, including \$1 billion for TK, and \$1 billion for K-12 deferred maintenance.
- » **Higher Ed Package Provides.**
  - \$1.5 billion for student housing construction split among all three segments, to build upon last year's \$2 billion investment.
  - \$3.2 billion to reduce deferred maintenance backlog in Higher Ed.
- » **Libraries.** \$750 million for Library Infrastructure Grant Program.
- » **Local Projects.** Significant funding for local legislative project priorities throughout the state.

(some items mentioned here are also highlighted in specific policy area slides)



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# SENATE BUDGET PLAN

## PUTTING WEALTH TO WORK

### **To Improve Early Care & Education:**

- » **Secure Child Care Workforce.** \$1 Billion ongoing to increase provider reimbursement rates to the 90th percentile of the regional market rate, with additional funds to support improved benefits for the childcare workforce.
- » **Continue Family Fee Waivers & Provider Hold Harmless Policies.** \$245 million to keep childcare affordable for families and ensure providers have stable funding.
- » **Invest in Infrastructure and Workforce.** \$445 million for child care facilities expansion and infrastructure investments, and professional development and workforce support.
- » **Stabilize and Support California State Preschool.** Increases eligibility for low-income children, increase rate adjustment factors to support Preschool providers and provide planning funds for long-term investments in our early education system.



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# SENATE BUDGET PLAN

## PUTTING WEALTH TO WORK

### To Improve K-12 Education:

- » **Statutory Ongoing K-12 Discretionary Funding Increases.** \$5 billion, growing to \$10 billion by 2024-25, for permanent ongoing supplemental base increases for K-12 general purpose funding, allowing flexibility in event policy changes related to enrollment or ADA-based funding are made.
- » **COVID Caused Education Challenges.** \$10 billion in one-time funds, allocated over multiple years, to combat impacts of COVID, including: protecting staffing levels and addressing learning loss and wellness.
- » **Home-to-School Transportation.** Ends the charging for school bus rides; eliminates parent-owed debts; and begins phasing in to universal Home-to-School transportation.
- » **School Facilities and Deferred Maintenance.** \$4.5 billion over three years, above the Governor's proposal, for school facilities, and \$1 billion for K-12 deferred maintenance.



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# SENATE BUDGET PLAN

## PUTTING WEALTH TO WORK

### **To Improve Higher Education:**

- » **CSU & UC Base Increase.** \$400 million ongoing for CSU base increase above the Governor's proposal to cover fair and competitive compensation costs for faculty and non-faculty and by \$200 million ongoing for UC base increase.
- » **Community Colleges Base Increase.** \$700 million ongoing base increase above the Governor's proposal.
- » **Community Colleges Flexible Block Grant.** \$450 million over the three year period for flexible block grant for basic needs, mental health needs, and COVID-19 related support.
- » **Student Housing.** \$1.5 billion additional investment in student housing, providing an additional \$500 million for Community Colleges, CSU and UC.
- » **Infrastructure and Deferred Maintenance.** \$3.2 billion, including \$1.2 billion for CCC deferred maintenance, and \$1 billion each for CSU and UC deferred maintenance, modernization, and capital outlay.



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# SENATE BUDGET PLAN

## PUTTING WEALTH TO WORK

### **To Make College More Affordable:**

- » **Cal Grant Improvements.** \$176 million for Cal Grant improvements as transition to broader reforms, including increasing the non-tuition award for Cal Grant B and C students, to help offset growing costs of living, and extending elements of last year's improvement for low-income students attending independent, nonprofit colleges and universities.
- » **Double CCC Student Success Completion Grant.** \$250 million ongoing to double the Student Success Completion Grant (SSCG), to provide a total of \$8,000 for students taking 15 units and \$2,600 for students taking 12 units. The SSCG offsets total cost of college attendance, to encourage full time attendance, and successful on-time completion.
- » **Debt Free College by 2025-26.** \$227 million for next step in funding the Middle Class Scholarship to reduce student debt, and fully fund MCS beginning in 2025-26 to provide Debt Free College for all lower and middle income CSU and UC students.



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# SENATE BUDGET PLAN

## PUTTING WEALTH TO WORK



### **With \$18 billion Climate Package:**

» **Water and Drought Package.** \$7.5 billion in state and federal funds to build a climate resilient water system:

- \$2 billion to rebalance state water supply and water rights.
  - \$1.5 billion for new CA Water Trust to acquire lands with senior water rights from willing sellers.
  - \$500 million to Dept. of Conservation for acquisition and repurposing of lands to implement the Sustainable Groundwater Management Act.
- \$1.5 billion to ensure all Californians have safe drinking water.
- \$1.5 billion for improving watershed climate resilience regionally.
- \$1.5 billion Drought Resilient Water Supply grants, to assist with recycling, stormwater capture, and groundwater cleanup.
- \$1 billion for Flood Management and Dam Safety grants to improve resilience of flood management system and fund public benefit portion of dam safety projects.



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# SENATE BUDGET PLAN

## PUTTING WEALTH TO WORK

### ***With \$18 billion Climate Package:***

» **Wildfire Package.** \$6.6 billion over five years to build on Governor's wildfire proposals, including:

- \$1.5 billion for fuel reduction.
- \$95 million for biomass accumulation.
- \$35 million for workforce development and training.
- \$675 million for Regional Conservancies.
- \$220 million ongoing to expand staffing ratios to 3.0 for all engines.



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# SENATE BUDGET PLAN

## PUTTING WEALTH TO WORK

### **With \$18 billion Climate Package:**

» **Sea Level Rise.** \$3.3 billion over multiple years to improve resilience, including funding to:

- Protect communities and natural resources: Urban Waterfront Protection, Ports, Public Infrastructure, and Ecosystem Protection.
- Fund SB 1 and match available federal funds.
- Focus on investments that encourage regional collaboration.

» **Disadvantaged Communities.** \$1 billion to offset the impacts on Climate Change for disadvantaged communities.



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# SENATE BUDGET PLAN

## PUTTING WEALTH TO WORK

### ***With \$18 billion Climate Package:***

- » **Biodiversity and Outdoor Access for All.** \$1 billion over multiple years for nature based solutions, including:
- \$500 million for 30X30 Goal (State goal of conserving 30% of state lands and coastal waters by 2030 to advance biodiversity and elevate the role of nature in the fight against climate change).
  - \$200 million for urban greening/urban forestry.
  - \$200 million for outdoor access through WCB/Conservancies/SCC and other existing programs.
  - \$100 million for outdoor equity access grant program.



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# SENATE BUDGET PLAN

## PUTTING WEALTH TO WORK

### **With \$18 billion Climate Package:**

- » **Climate Mitigation.** Build on Governor's significant investments in electric vehicles, abandoned oil well cleanup, clean energy projects, and building decarbonization.
- » **Climate Equity Trust Fund.** Establish Climate Equity Trust to help offset rising electricity costs, the Trust will ultimately be funded from various sources, including the GGRF.
- » **Achieve SB 100 Interim Goals.** Ensure funding to achieve interim goals of 90% of electric sales to end-use customers is from renewable energy and zero-carbon resources by 2035 and 95% by 2040.
- » **Carbon Neutrality in State Operations by 2030.** Invest in resources to ensure transition to zero-carbon resources for state operations to meet 2030 carbon neutrality goal.
- » **High Road Labor Agreements for Clean Energy Projects.** Promote high quality jobs with good wages and benefits for projects.



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# SENATE BUDGET PLAN

## PUTTING WEALTH TO WORK

### **To Assist Struggling Californians & Families:**

- » **No Child in Deep Poverty.** \$300 million take the final two steps to ensure No Child Lives In Deep Poverty through CalWORKs grant increases. First step is January 1, 2023, final step is January 1, 2025.
- » **Foster Care Services.** \$315 million to improve home-based Foster Care services and reduce reliance on institutional care.
- » **Food Assistance.** \$284 million beginning in 2023-24 to build upon last year's expansion of the California Food Assistance Program regardless of immigration status, to expand to all ages.
- » **Senior and Disabled Support.** \$150 million to accelerate second step SSI/SSP increase approved in 2021-22 Budget Act to April 1, 2023.



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# SENATE BUDGET PLAN

## PUTTING WEALTH TO WORK

### **To Assist Struggling Californians & Families:**

- » **End Child Support Takeaways.** \$150 million to end the practice of taking child support payments from struggling families.
- » **CalEITC Improvement.** \$400 million ongoing to provide a minimum CalEITC credit of \$255 to all recipients, providing more benefit to our lowest income earners.
- » **Targeted Tax Relief.** Phase in expansions of targeted tax programs that support families, such as the Young Child Tax Credit and the Renters Tax Credit.



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# SENATE BUDGET PLAN

## PUTTING WEALTH TO WORK

### **To Expand Access to Affordable Healthcare:**

- » CoveredCA Middle Income Affordability. \$542 million increase to CoveredCA to make healthcare coverage more affordable, beginning January 1, 2023.
- » Medi-Cal For All. \$1 billion to accelerate implementation of Medi-Cal Coverage Regardless of Immigration status to June 1, 2023.
- » Medi-Cal For Children. \$10 million to provide continuous Medi-Cal coverage for children, ages 0-5.
- » Public Health. \$750 million to increase funding for Public Health Infrastructure.



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# SENATE BUDGET PLAN

## PUTTING WEALTH TO WORK

### **To Expand Access to Affordable Healthcare:**

- » **Expanding Health and Behavioral Health Workforce.** \$1 billion for health workforce development, with a focus on behavioral health, including scholarships, stipends, loan repayment, and pipeline programs.
- » **Mental Health Student Services Act.** \$100 million to continue and expand investments in school based mental health services through the Mental Health Student Services Act.
- » **Behavioral Health Facilities.** Accelerates implementation of the 2021-22 appropriation of \$2 billion for construction of local behavioral health beds.



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# SENATE BUDGET PLAN

## PUTTING WEALTH TO WORK

### **To Improve Affordable Housing & Home Ownership:**

» Affordable Housing and Home Ownership Package. \$2.7 billion for Affordable Housing and Home Ownership:

- \$500 million for Multifamily Housing Program.
- \$500 million for Housing Accelerator Program.
- \$100 million for the Joe Serna Farmworker Housing Program.
- \$350 million for CalHOME Program.
- \$200 million for the Downpayment Assistance Program.
- \$50 million for ADU Financing Assistance, to help spur increase in housing supply through ADUs.
- \$1 billion for the California Dream For All Program, a new revolving fund program for first time homebuyers to partner with the state and purchase homes with low to no downpayment and 20% reduced cost.



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# SENATE BUDGET PLAN

## PUTTING WEALTH TO WORK

### **To Reduce Homelessness:**

- » **Enhance Existing Homelessness Investments.** \$3 billion, over three years, to build on last year's major \$12 billion two year investment with:
- Additional funding for Project Homekey.
  - Funding for Encampment Resolution Funding Program.
  - Increased funding for HHAPP, to continue the state's support of efforts in cities, counties, and Continuums of Care to reduce and eliminate homelessness.



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# SENATE BUDGET PLAN

## PUTTING WEALTH TO WORK

### **To Improve Public Safety and Judicial System:**

#### » Support for Victims of Crimes.

- \$150 million in immediate support for victims.
- \$115 million to stabilize the Restitution Fund.
- \$15 million to expand Trauma Recovery Centers.

#### » Reentry Support. Prevents homelessness and reduces crime and recidivism by expanding pre- and post-release transitional housing programs, including \$300 million for the Community Reentry Program and \$100 million for the Adult Reentry Grant Program.

#### » Equitable Access to Justice.

- \$100 million to eliminate civil assessment and related prior debt.
- \$200 million for legal aid for eviction and consumer debt cases.
- \$25 million in recruitment incentives for high-need legal areas.



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# SENATE BUDGET PLAN

## PUTTING WEALTH TO WORK

### **To Strengthen California's Workforce:**

- » **Secure Child Care Workforce.** As noted earlier, \$1 Billion ongoing to increase reimbursement rates to retain and increase the child care workforce and ensure families that rely on childcare can re-enter and stay in the workforce.
- » **Behavioral Health Workforce.** \$1 billion to expand investments in behavioral health workforce development, including scholarships, stipends, loan repayment, and pipeline programs.
- » **Returning Caregivers to Work.** \$8.4 million one time and \$4 million ongoing to provide 90% wage replacement for paid family leave for low wage workers, ensures workers can utilize family leave time & be better able to return to work.



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# SENATE BUDGET PLAN

## PUTTING WEALTH TO WORK

### To Strengthen California's Workforce:

- » Workforce Development for students of color and low-income students communities. \$100 million for community change learn-&-earn career pathway programs at 20 selected community colleges over four-year period.
- » Workforce Development for Re-entry Population. \$50 million one-time to fund CBOs to expand reentry service capacity, help fund MC3 programming, and support program participants.
- » Establish Women in Construction Unit at DIR. \$15 million ongoing to promote and support women/nonbinary individuals into skilled trade careers.
- » Nursing Homes. \$10 million to establishing the Quality Standards Board for Nursing Homes.

(some items mentioned here are also highlighted in specific policy area slides)



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# SENATE BUDGET PLAN

## A NOTE REGARDING GANN

- » The Gann Limit has become relevant for the first time in a generation due primarily to the past decade of responsible budgeting, a healthy economy, and voter approved revenues.
- » “Putting Wealth To Work” budget plan, however, does not reflect any budget allocation decisions in direct response to Gann Limit constraints. Instead, with LAO option of updating the definition of local subventions and budget decisions naturally made, this budget plan is under the Gann Limit through 2021-22 and 2022-23.
- » But, in the near future baseline spending growth will exceed the Gann Limit, resulting in the absurd requirement that core programs would need to be cut even though the overall budget can continue to support them.
- » Therefore, by 2024 a constitutional amendment will be needed to harmonize and modernize the Constitution to ensure core programs like health care, higher education, and public safety can continue to be funded and not artificially constrained by the out-of-date Gann Limit.



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# SENATE BUDGET PLAN

## SUB 1

### OTHER KEY EDUCATION PRIORITIES

- » **2021 Budget Improvement Oversight.** Ensure successful implementation of programs established in the 2021 Budget, including Universal School Meals, Expanded Learning, Transitional Kindergarten, and others.
- » **Learning Loss.** Allocate significant flexible one-time funds, to be used over a multi-year period to support staffing costs of helping students recover from any learning loss experienced during the pandemic.
- » **Student Enrichment.** Allocate flexible one-time funds for student enrichment materials in music, arts, technology, instructional materials, and others.



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# SENATE BUDGET PLAN

## SUB 1

### OTHER KEY HIGHER ED PRIORITIES

- » **Higher Ed Compacts.** Strengthen higher education compacts and roadmap with segments to advance student outcomes, reduce time to degree, continue enrollment of CA students, and recruitment and retention of low-income and first-generation students.
- » **Enrollment increases.** Fund one-percent enrollment increase for both the UC and CSU, starting in 2023-24.
- » **Community College District Budgets Improvements.** Address Student Centered Funding Formula to help CCC districts.



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# SENATE BUDGET PLAN

## SUB 1

### OTHER KEY HIGHER ED PRIORITIES

- » **Underrepresented Students Support.** Provide investments for, and direction to, student supports impacting historically underrepresented students:
- CCC: Mathematics, Engineering, Science, and Achievement Program, Next Up program for foster youth, Extended Opportunity Programs and Services, Native American student support services, and the Puente Project.
  - UC: Carceral system-impacted students, foster youth, and undocumented students.
  - CSU: Asian Bilingual Teacher Education Program, Basic Needs, Graduation Initiative 2025, and foster youth support.



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# SENATE BUDGET PLAN

## SUB 2

### OTHER KEY RESOURCES PRIORITIES

- » Senate Caucus Climate Working Group. Work with Senate Caucus Climate Working Group to ensure funding for key working group priorities. Focus on realistic and pragmatic climate solutions.
- » Cap-and-Trade Plan. Craft Cap-and-Trade Plan to maximize efforts in climate resilience and GHG emissions reduction.
- » Zero-Emission Vehicles. Improve investments in zero-emission vehicles and infrastructure.
- » Clean Energy. Invest in clean energy to help the state meet its climate and air quality goals.
- » Short-Lived Climate Pollutants. Reduce emissions from refrigerants, agriculture, municipal waste, and diesel.
- » Organic Waste Infrastructure. Make investment for organic waste infrastructure to reduce methane emissions.
- » Circular Economy. Improve recycling opportunities to reduce litter, conserve resources, and minimize reliance on landfills.



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# SENATE BUDGET PLAN

## SUB 3

### OTHER KEY HUMAN SERVICES PRIORITIES

- » **Child Care System.** Provide additional supports for the child care system, including hold harmless policies to reimburse providers for enrollment and to waive family fees.
- » **Food Banks / Food Assistance.** Permanently authorize the state disaster food assistance program.
- » **Developmental Services Rates.** Accelerate planned rate increases and require regular updates to rates for providers of developmental services and ensure increases are targeted to direct care workers.
- » **Seniors and Adults with Disabilities Housing.** Stabilize and preserve housing options for at-risk seniors and adults with disabilities.
- » **Older Californians Act.** Increase funding to modernize the Older Californians Act.



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# SENATE BUDGET PLAN

## SUB 3

### OTHER KEY HUMAN SERVICES PRIORITIES

- » **Behavioral Health.** Expand on the Governor's investments in behavioral health bridge housing to increase opportunities and options for clinically-enriched and permanent supportive housing.
- » **Advocates for Seniors and Persons with Disabilities.** Provide adequate funding to support public administrators, public guardians, and public conservators.
- » **Health Equity and Racial Justice Fund.** Provide ongoing increase for the Health Equity and Racial Justice Fund.
- » **Protect Access to Reproductive Health for All.** Ensure access to reproductive health care through enhanced funding of services, workforce development, equity, and an abortion support fund.



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# SENATE BUDGET PLAN

## SUB 4

### OTHER KEY GENERAL GOV PRIORITIES

- » **CalEITC Outreach.** Provide additional resources for continued Earned Income Tax Credit outreach to ensure funding is reaching our lowest income workers and prevent the intercept of rebate funds intended to help address poverty.
- » **Supporting Children Impacted by COVID.** Establish a fund to create trust accounts for children who have lost parents/caregivers to COVID and those in long term foster care.
- » **Supporting the Legal Cannabis Market.** Provide tax relief for legal cannabis operators, and backfill lost revenue due to Cannabis Tax Reform and maintain revenue streams for Cannabis tax beneficiaries.
- » **Seismic Safety.** Provide funding for seismic retrofits and safety improvements for at-risk public buildings, including women's and homeless shelters, public hospitals, and children's hospitals.
- » **Small Business and Community Supports.** Provide funding and strengthen supports for small businesses, non-profits and faith-based organizations that provide community services, and youth summeremployment.



Putting California's Wealth to Work *for a More Equitable Economy*





# SENATE BUDGET PLAN

## SUB 5

### OTHER KEY PUBLIC SAFETY PRIORITIES

- » Gun Violence Intervention. Provide funding for firearm relinquishment programs and gun violence prevention programs.
- » Free Phone Calling. Continue the expanded free phone calls at state prison.
- » Office of Inspector General. Restore the Inspector General's authority to initiate investigations.



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# SENATE BUDGET PLAN

**SUB 5**

## OTHER KEY LABOR PRIORITIES

- » **Infrastructure Labor Requirements.** Ensure strong labor requirements accompany the significant infrastructure investments to create stable, high-quality, high-road job opportunities across the state.
  - This includes enforceable commitments to construction, good manufacturing, service, operations, and maintenance jobs, real training and apprenticeship, and equitable pathways into these jobs as supported or created by the proposed climate and transportation spending.
  - Focus our workforce system on the high road by leveraging investments for immediate accountability for good jobs after training.



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# SENATE BUDGET PLAN

## SUB 5

### OTHER KEY LABOR PRIORITIES

- » **Enforcement/Outreach of Wage, Health and Safety, and COVID Laws.** Expand enforcement and worker outreach programs protecting against violations of wage, health and safety, and COVID-19 laws.
- » **UC Labor Centers.** Strengthen and expand the future of labor research and education to advance labor and employment policy, workforce development, education and training.
- » **New Employee Orientation.** Update and modify new employee orientation for public employees.
- » **California Youth Apprenticeship Program.** Establish Office of the California Youth Apprenticeship Program to develop new, or expand on existing apprenticeship programs for 16-24 year olds who are unhoused, in the welfare, or juvenile justice system or otherwise facing barriers to labor market participation.



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# SENATE BUDGET PLAN

## CONCLUSION

» “Putting Wealth to Work” is a product of:

- A thriving economy – but with the benefits going mostly to the wealthiest;
- A commonsense, voter-approved revenue system that results in the wealthiest paying their share, without impacting their financial success; and
- A decade of responsible budgeting by Democrats in full control of the state’s finances.

» Together, the Senate Budget Plan puts California’s wealth to work to build a more equitable economy and to improve the lives of struggling Californians and middle income families.



Putting California’s Wealth to Work *for a More Equitable Economy*







# SENATE BUDGET PLAN



Putting California's Wealth to Work *for a* More Equitable Economy

