# Legislative Update

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## Legislative Calendar:

- Feb. 16 Last day for bills to be introduced
- Feb. 19 Presidents Day
- Mar. 21 Apr. 1 Spring Recess
- Apr. 26 Last day for policy committees to hear and report to fiscal committees fiscal bills introduced in their house
- May 15 ASCE day at the California Capital

# **Budget Problems Plague State**

In its <u>report on the State Budget</u>, the Legislative Analyst's Office finds it "solved a budget problem of \$58 billion" through a combination of spending cuts, reserve withdrawals, cost-shifts and proposed new revenue, which is about \$20 billion more than the Dept. of Finance's announced "budget problem" of \$38 billion mostly due to the administration defining "a \$15 billion reduction to school and community college spending" as a "baseline change" rather than a spending cut.

It recommended the Legislature:

- (1) plan for lower revenues,
- (2) maintain a similar reserve withdrawal,
- (3) develop a plan for school and community college funding,
- (4) maximize reductions in one-time spending, and
- (5) apply a higher bar for any discretionary proposals and contain ongoing service level."

Similarly, the California Budget and Policy Center released <u>First Look: Understanding the</u> <u>Governor's 2024-25 State Budget Proposal</u>. Its findings include that "in addition to drawing down the entire Safety Net Reserve, the governor proposes ongoing cuts to Family Stabilization and Expanded Subsidized Employment services within the CalWORKs program, effectively eliminating both services," specifically, "the proposed cuts include: Pulling back \$55 million General Fund from the 2023-24 budget and an ongoing cut of \$71 million General Fund beginning in 2024-25 for Family Stabilization" and "pulling back \$134.1 million General Fund from the 2023-24 budget and an ongoing cut of \$134.1 million General Fund starting in 2024-25 for Expanded Subsidized Employment."

#### **New Senate Leader**

State leaders convened in the Capitol to witness the swearing-in of new President Pro Tem Mike McGuire.

After a performance by a gospel choir and testimonies from fellow senators, who praised his indefatigable energy and commitment to the job, the Sonoma lawmaker took his oath of office alongside his wife, Erika, and their toddler son, Connor, while dozens of legislators and statewide politicians looked on, including Gov. Gavin Newsom and former Gov. Jerry Brown.

McGuire takes the gavel from outgoing leader Toni Atkins, who is termed out this year and focusing her efforts on a 2026 gubernatorial run. Among the other political powerhouses in attendance were Lt. Gov. Eleni Kounalakis, Attorney General Rob Bonta, Superintendent of Public Instruction Tony Thurmond, and head of the California Labor Federation Lorena Gonzalez.

McGuire opened his first remarks as pro tem by praising emergency workers responding to days of fierce storms. He also touted the record number of women serving in the Senate, California's role as a global leader on climate, and the state's economic prowess. "No matter what you watch on cable news, we are America's economic engine," McGuire said.

McGuire, whom his colleagues described as an "Energizer Bunny," is now tasked with guiding the chamber through a bleak budget year, and what are sure to be tough negotiations with the governor's administration and the Assembly. [Politico]

#### California launches website to track \$180B in Infrastructure Investments

While details on projects such as the state's high-speed rail project are scant, the map provides a broad overview of the work underway. According to Gov. Gavin Newsom, California recently launched a new state website to track \$180 billion in infrastructure projects over the next 10 years.

<u>Build.ca.gov</u> tracks projects that have benefited from the Infrastructure Investment and Jobs Act and includes fast-tracked jobs to build a 100% clean electric grid, boosting the state's water supply and modernizing its transportation system.

Newsom signed an <u>executive order</u> last May to establish an Infrastructure Strike Team to remove barriers to project development in California's notoriously slow permitting process.

#### **New Legislation**

<u>SR 60 Ochoa Bogh R</u> Would proclaim March 3, 2024, to March 9, 2024, as Women in Construction Week.

ACR 127 Irwin D Would recognize the week of February 18, 2024, to February 24, 2024, as Engineers Week.

<u>ACR 130 Rivas, Luz D</u> Would proclaim February 22, 2024, as Introduce a Girl to Engineering Day.

<u>SB 768 Caballero D</u> This bill would require the State Air Resources Board, by January 1, 2026, to conduct and submit to the Legislature a study on how vehicle miles traveled is used as a metric for measuring transportation impacts under CEQA.

<u>SB 961 Wiener D</u>. This bill would require certain trucks and trailers to be equipped with side guards. It would also prohibit certain vehicles from being sold in California without a speed governor.

<u>AB 1862 Fong, Vince R. This bill would authorize</u> persons licensed to engage in engineering, land surveying, or architecture to form limited liability partnerships.

<u>AB 1932 Ward D</u> This bill would recast the California Statewide Housing Plan to require the plan to incorporate, in consultation with the Interagency Council on Homelessness and utilizing data from the Homeless Data Integration system, a review of housing assistance, policies, goals, and objectives affecting people experiencing homelessness.

## Appointments

Assembly Speaker Robert Rivas has appointed a longtime business advocate to serve on the <u>California Transportation Commission</u> (CTC). Bob Tiffany, former San Benito County Supervisor, and San Benito County Business Council President replaces Joe Lyou. Tiffany's term ends on January 1, 2028. Tiffany is a fourth-generation San Benito County resident with deep business roots. He ran his family's company (the oldest Ford dealer in California!) for 32 years after graduating from Stanford University and earning his MBA from UCLA. He has led the San Benito County Business Council since its inception in 2015. He leaned heavily on his business experience while running for a seat on the San Benito County Board of Supervisors. Tiffany was elected in November 2020 to represent San Benito County's 4th Supervisorial District.

## Appointments by the Governor

<u>Reappointed to the Energy Commission</u>: **David Hochschild**, Berkeley, Democrat, commissioner since 2013. Salary: \$181,156.

<u>To the Water Commission</u>: **Sandra Matsumoto** (reappointed), Davis, Democrat, director for the California Water Program at Nature Conservancy since 2020; **Kate Moulene**, Agoura Hills, Democrat, CEO of River LA since 2021. Salary: \$100 per diem.

<u>Reappointed to the Water Resources Control Board</u>: **Sean Maguire**, Carmichael, Democrat, board member since 2018. Salary: \$175,578.

#### **Reports of Interest**

Johns Hopkins Bloomberg School of Public Health published <u>A National Investigation on the</u> Impacts of Lane Width on Traffic Safety. The authors examined roadway infrastructure in the study to determine options for improving roadway safety as pedestrian and cyclist fatalities continue to increase. They sampled 1,117 street sections in seven U.S. cities. One of the findings includes, "roads with 10–12-foot lanes at 30-35 mph speed limits have a significantly higher number of crashes than those with 9-foot lanes. Narrowing lane widths at these speeds provides city leaders with an opportunity to improve safety for all roadway users." The authors hope their findings will help city leaders improve road safety for all users.

**PPIC** released <u>Assessing Groundwater Overdraft in the Sacramento Valley.</u> The authors noted that "although the Sacramento Valley has relatively abundant surface water supplies, groundwater is also an important resource for many of its communities and farms. In fact, <u>one-third of the valley's farmland</u> depends entirely on groundwater, and <u>more than half (60%) of all farmland</u> relies, at least in part, on groundwater. The Sustainable Groundwater Management Act (SGMA) now requires local water users to steward this resource and prevent undesirable results of overdraft or excess pumping."

**The Legislative Analyst's Office** released <u>Assessing Early Implementation of Urban Water Use</u> <u>Efficiency Requirements.</u> "In 2018, the California Legislature passed parallel bills to improve urban water conservation. ... The bills require the State Water Resources Control Board to draft policies that specifically target reductions in urban water use — the water that 95% of residents use for drinking, bathing, and watering their lawns. Although urban water use only accounts for 10% of the state's annual water use — 40% is used by agricultural irrigation, and 50% goes to environmental purposes like wetlands and wild and scenic rivers — and daily per capita water use in the state has declined by 37% since 1990 thanks to prior legislation and conservation efforts, the legislation requires suppliers to create a 'water use objective' to measure customer conservation. ... The legislative analyst estimates statewide water use must be reduced by 14% to meet targets by 2035. But not all Californians would be affected in the same way. ... The analyst said water suppliers could increase their rates to force people to conserve, which would disproportionately affect lower income people. ...Additionally, the new regulations will cost the state an estimated tens of billions of dollars from 2025 to 2040 and only save about 440,000 acre-feet of water — about 1% of the state's total water use, the analyst said."