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## 2023-24 Budget Overview

### ➤ The Numbers:

- Total budget came in at \$310 billion
- Deficit: \$31.5 billion
- General Fund spending was \$225.9 billion, down from \$234.6 billion last year

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## 2023-24 Budget Highlights

### Key Policy Areas

#### ➤ Homelessness

- \$1B into round five of the Homeless Housing, Assistance & Prevention (HHAP)
- \$400M for local encampment resolution grants
- \$265M for Mental Health Services Fund in 2023-24
- \$235 million in 2024-25 for bridge housing (homeless & severe behavioral health needs)

#### ➤ Housing

- \$200M for the Dream for All downpayment assistance program
- \$500M for the Low Income Housing Tax Credit program
- \$250M for adaptive reuse of underutilized commercial spaces
- \$225M for infrastructure for infill housing
- \$82.5M (a total of \$330M over four years) to preserve affordable housing and promote residential property ownership

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## 2023-24 Budget Highlights Continued

### ➤ Higher Education

- \$30M for UC to enroll 900 fewer out-of-state students
- Middle Class Scholarship increase of \$227M
- \$2.2B in affordable student housing grants
- \$200M in zero-interest loans to build student and staff housing for CSU/UC/CC systems
- Additional \$2M ongoing for UC Riverside School of Medicine

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## 2023-24 Budget Highlights Continued

### ➤ Public Safety

- \$113M for the Safe Neighborhoods and Schools Fund (Prop 47) to reduce recidivism, support truancy and dropout prevention programs, and fund services for crime victims

### ➤ Climate programs

- \$2.9B cut to funding for climate projects from 2021/2022.
- Overall, the budget retains \$51.4B in climate projects out of \$54.3B that was initially established over the past 2 years.
- An additional \$888M for climate-related projects outside of the original climate budget.

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## City of Riverside Bill Tracking

- Total number of tracked bills for the City: **762**
- As of the date of this report:
  - 372 bills have become two-year bills
  - 171 have been signed into law and chaptered
  - 44 were vetoed by the Governor
  - 107 are still on the Governor's Desk awaiting action

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## City of Riverside Priority Bills

- AB 531 (Irwin) \$6.38 billion bond to build new treatment beds and supportive housing units for people experiencing or at risk of homelessness who have behavioral health needs, with a dedicated investment to serve veterans.
  - **City Position: Support**
  - **Status: Chaptered into law, 10/12/2023**
- SB 326 (Eggman) recasts the Mental Health Services Act (MHSA) by, among other things, renaming it the Behavioral Health Services Act (BHSA), expanding it to include treatment of substance use disorders, changing the county planning process, and expanding services for which counties and the state can use funds.
  - **City Position: Support**
  - **Status: Chaptered into law, 10/12/2023**

*Note: Both will appear on the March 2024 ballot as Prop 1*

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## Priority Bills Continued

- AB 1567 (E. Garcia) places a \$15.955 billion climate resilience general obligation bond before the voters on the March 5, 2024, Primary Election ballot.
  - **City Position: Support**
  - **Status: 2-Year Bill**
- AB 1657 (Wicks) enacts the Affordable Housing Bond Act of 2024, which authorizes the sale of \$10 billion in general obligation bonds, upon approval by voters at the March 5, 2024 statewide election.
  - **City Position: Support**
  - **Status: 2-Year Bill**

*Note: The Legislature & Governor's Office will resume discussions on two-year bond bills*

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## Priority Bills Continued

- AB 573 (E. Garcia) authorizes local agencies to procure California-derived organic waste products that are processed at out-of-state facilities in order to comply with the state's recovered organic waste procurement requirements.
  - **City Position: Support**
  - **Status: 2-Year Bill**
- AB 1637 (Irwin) requires cities and counties that maintain websites to utilize a ".gov" or ".ca.gov" domain.
  - **City Position: Oppose**
  - **Status: Chaptered into law, 10/8/2023**
- AB 742 (Jackson) prohibits the use of canines by peace officers for arrest and apprehension unless necessary to defend against an imminent threat of death or serious bodily injury.
  - **City Position: Oppose**
  - **Status: 2-Year Bill.**

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## Priority Bills Continued

- AB 1708 (Muratsuchi) refines the definition of shoplifting and would specifically exclude certain offenses from prosecution as shoplifting, including, among others, the theft of a firearm or vehicle, identity theft, and credit card fraud.
  - **City Position: Support**
  - **Status: 2-Year Bill**
- SB 19 (Sevarto) establishes the Anti-Fentanyl Abuse Task Force to evaluate the nature and extent of fentanyl abuse in the state and to develop policy recommendations for addressing it.
  - **City Position: Support**
  - **Status: On Governor's Desk**

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## Priority Bills Continued

- SB 43 (Eggman) expands the definition of “gravely disabled,” for purposes of involuntarily detaining an individual with a severe substance use disorder (SUD), or a co-occurring mental health (MH) disorder and a severe SUD, or chronic alcoholism that is unable to additionally provide for personal safety or necessary medical care.
  - **City Position: Support**
  - **Status: Chaptered into Law, 10/10/2023**

*Note: A similar version on this bill died last year in Assembly Judiciary (SB 1416, 2022)*

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## Priority Bills Continued

- SB 366 (Caballero) amends the California Water Plan, requires DWR to develop a long-term water supply planning target for 2050, and establishes an interim target of 10 million acre-feet (AF) of additional water by 2040.
  - **City Position: Support**
  - **Status: 2-Year Bill.**
- SB 584 (Limon) requires a 15% state short-term rental occupancy tax to be collected, as specified, and allocates the funds for the construction, acquisition and rehabilitation of affordable housing and renter protection programs, as specified.
  - **City Position: Oppose Unless Amended**
  - **Status: Died without a policy hearing**
- SB 602 (Archuleta) extends the operative timeframe for trespass letters of authorization from 30 days to 12 months, as specified.
  - **City Position: Support**
  - **Status: Chaptered into law, 10/7/2023**

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## Voter Threshold Initiatives on Tax Releases

- Governor Newsom, Assembly Speaker Rivas & Senate Pro Tem Atkins filed a request to remove the Taxpayer Protection Act (TPA) from the November 2024 ballot.
- ACA 1 (Aguiar Curry) - will be on the November 2024 ballot.
  - Lowers the voting threshold to 55% to allow local governments to fund projects for affordable housing or public infrastructure.
  - If ACA 1, the TPA and/or ACA 13 appear on the same ballot, the TPA and ACA 13 shall be deemed to be in conflict with this measure.
- ACA 13 (Ward) passed the Legislature but is not chaptered. It is being held until November 1.
  - Retains the majority vote requirement for passage of state and local initiatives.
  - Would require proposed initiatives that seek to increase vote thresholds on future ballot measures to pass with the same proportional higher vote threshold.
  - Could be on the March or November 2024 ballot.

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## Looking Ahead to 2024

- ▶ The Legislature and Administration will continue to prioritize addressing homelessness, housing and behavioral health.
- ▶ The Legislature and Governor's office will begin negotiations on the following to determine which bonds and their amounts will be placed on the November 2024 ballot:
  - AB 1657 – the housing bond
  - AB 1567 & SB 867 – two resources/climate change bonds
  - AB 247 – the education bond
- ▶ Expect a similar fiscal outlook for fiscal year 2024-25.
- ▶ More new Members on the way.

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## Questions

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