

Policy Briefing

Latest updates from the CA Legislature that can impact the Inland Empire.
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California Legislative Update – April 2024

In March, Governor Newsom and legislative leaders announced an agreement on the budget. Details of the deal are limited; however, budget solutions totaling \$12 to \$18 billion to address the shortfall have been identified. A significant shortfall remains, and there is more work to be done. In response to the agreement, the new Speaker of the Assembly, Robert Rivas, thanked the Governor and the Senate Pro Tem McGuire, indicating that the initial budget package would be finalized in early April. Additional budget and oversight hearings will continue next month, leading to the release of the Governor's May Revision.

The agreement comes on the heels of the Senate releasing its early action plan, Protect our Progress 2024, to identify "immediate actions that take the shortfall range down to a more manageable \$9 billion to \$24 billion and enable final budget negotiations later in the year to focus on closing the remaining gap while working to protect the progress to core programs that California has made in recent years." It's important to note that the early action plan used a shortfall estimate range of \$38 billion to \$53 billion instead of the \$73 billion figure the nonpartisan Legislative Analyst's Office has referred to.

How the Legislature maneuvers will be trying and will require reductions to a number of critical programs. The State has been in this situation for quite some time, and according to Politico only eight state lawmakers who served during the Great Recession remain in office and none of them hold meaningful positions of power.

The budget shortfall has not been the only thing dominating the Capitol, as legislative proposals continue to progress. Before the Legislature recessed in early April, lawmakers tackled various issues ranging from stiffer penalties for local jurisdictions that skirt state housing laws and public safety measures aimed at addressing the growing concern about the increase in crime.

The results of the March election, included voters narrowly approved Governor's ballot measure to amend the Mental Health Service Act, Proposition 1 B. The measure will authorize upwards of \$6 billion in bond capacity for behavioral health infrastructure. Recently, the Department of Health Care Services outlined next steps on implementation, including stakeholder engagement that will occur between April 2024 to October 2024.

