

May 2, 2024

To: Ara Mihranian, City Manager
Shaunna Hunter, Administrative Analyst
City of Rancho Palos Verdes

From: Sharon Gonsalves
Director of Government Affairs
Renne Public Policy Group

RE: RPPG Monthly Legislative Summary – April 2024

LEGISLATIVE UPDATE

Policy Committees Accelerate After Spring Break

April has been a bustle of legislative activity, with stacked agendas, long hearings, and a flurry of bills being amended as the more than 2,200 legislative proposals introduced between early January and the middle of February make their way through the legislative process in an effort to pass through policy committees by May 3, and then their house of origin by May 24.

However, April 26 marked the deadline for all bills that have been keyed fiscal—which means they are determined to potentially have a state fiscal impact—to be heard in a legislative policy committee. After these bills have exited policy committees, they will be sent to their respective appropriations committees (either Senate or Assembly) for fiscal analysis. Those determined to have no impact of significance may be released from committee while those determined to have a fiscal impact are placed on the Suspense File. Both appropriations committees will deliberate all fiscal measures placed on the Suspense File on May 16. If a measure passes its fiscal committee, it will then be sent to the Floor of its house of origin. From a timing and process perspective, fiscal measures can be held (meaning that they will no longer advance), advance out of committee unchanged, or advance out of committee with either technical and/or substantive amendments based on the committee's recommendation. RPPG will send out a Suspense File memo with updates on key items of import.

Assembly Public Safety Press Conference

On April 9, a [press conference](#) on retail crime was held by the Assembly. In attendance were Assembly Speaker Robert Rivas (D, Hollister), several other members of the Assembly, Attorney General Rob Bonta, and several legislative advocates representing retailers. During the press conference, lawmakers introduced a bipartisan legislative package focused on retail crime and theft “aimed at holding those involved in retail theft accountable and keeping communities safe.” Additionally, Speaker Rivas recently made it clear that Proposition 47 will not be a target of any legislation, as the measure cannot be amended except to strengthen its provisions.

BUDGET UPDATE

Budget Subcommittees

Budget subcommittees are organized by issue area and have been hearing items from the Governor's January proposal since its release. These hearings generally are not for vote, only for discussion, until after the release of the May revision in mid-May. Budget subcommittees in both houses have ramped up to

close out hearing all items in advance of that date so that they are prepared to vote on all remaining issues so that main Budget committees can commence their work to prepare the final product.

Budget Trailer Bill

On April 15, Governor Gavin Newsom signed [AB 106](#), which amends the Budget Acts of 2022 and 2023. This Budget Trailer Bill is the final outcome of the early action Budget agreement [announced](#) on April 4 by the Governor, Senate President pro Tem Mike McGuire (D, Geyserville), and Assembly Speaker Robert Rivas (D, Hollister). The agreement, an outline of which had been [announced](#) in March, is aimed at reducing the fiscal year 2024-25 Budget shortfall by approximately \$17.3 billion. The bill “contains a mix of \$3.6 billion in reductions (primarily to one-time funding), \$5.2 billion in revenue and borrowing, \$5.2 billion in delays and deferrals, and \$3.4 billion in shifts of costs from the General Fund to other state funds.”

Expenditure Freeze

On April 30, the Department of Finance [announced](#) that funding for “one-time resources provided in the Budget Acts of 2021, 2022, 2023” would cease immediately. **If one of these Budgets appropriated funds to your agency but you have not yet received it, please contact us and we will work with you and your legislative delegation to unlock the funds.**

Looking Forward on the Fiscal Year 2024-2025 Budget

According to Assembly Budget Director Jason Sisney, aggregate revenues in April may come in several hundred million dollars below monthly estimates, partly due to income taxes for the month falling short of previous estimates. As a result, the Governor’s May revision is almost certain to further lower revenue projections from what had been in the January proposal, though the Administration and the Legislative Analyst’s Office continue to have a gap between their respective projections, at least for now. The Governor will release his Budget revision no later than May 14. RPPG will release a May revise memo and will continue to keep you apprised of all major Budget actions. Once the updated projections and proposed expenditure plan are released, Budget subcommittees will wrap up, Budget committees of both houses will make their final votes on a Budget Bill. The Senate and Assembly must come to an agreement and send the Governor a balanced budget by June 15. However, if history is any teacher, this version has tended to be a placeholder in past years while Legislative leadership and the Governor hash out final sticking points. The Governor must sign a balanced Fiscal Year 2024-2025 Budget prior to the July 1 start of the new fiscal year. Budget Trailer Bills do not have the same deadline and we also often see Budget Bills Jr which amend and fine tune appropriations in the signed Budget Act. In odd years, this type of Budget action can be seen as late as September. However, in election years, the end of session is August 31 and after that date further Budget action would be reserved for the new session in January.

RPPG LEGISLATIVE ACTIVITY

RPPG continues to review priority bills—keeping City staff apprised of developments on legislation during our standing meetings and throughout the month as needed. RPPG continues to work hand in hand with City staff to gather client-specific information while actively engaging with lawmakers and agency officials on legislation of interest to the City.

SB 1461

Sharon Gonsalves and Ara Mihranian had a meeting with Senator Ben Allen’s office on the City’s Abate Districts on April 1. Additionally, Sharon Gonsalves is working closely with Senator Allen’s office and CalOES to determine how the bill can be expanded to allow for additional funding to address the City’s landslides.

RPPG Memos

RPPG sent the City analyses of [AB 2023](#) (Quirk-Silva) and [AB 1886](#) (Alvarez) on April 3.

RPPG sent the City analyses of [AB 2489](#) (Ward) and [AB 2557](#) (Ortega) on April 9.

RPPG sent the City an analysis of [AB 1893](#) (Wicks) on April 10.

RPPG sent the City an analysis of [AB 2583](#) (Berman) on April 12.

RPPG sent the City an analysis of the State Auditor's Report on Homelessness on April 22.

Update on Positioned Legislation

RPPG is closely monitoring and providing updates on bills on which the City has adopted a position.

- [AB 2560 \(Alvarez\) Density Bonus Law: California Coastal Act of 1976](#)
 - Status: Assembly Floor
 - City Position: Oppose
- [SB 1461 \(Allen\) State of emergency and local emergency: landslide](#)
 - Status: Senate Appropriations
 - City Position: Support

Priority Bills

RPPG has tagged 55 bills for the City as "priority," which may be of potential interest, or may impact operations or priority issues, per the legislative platform. We will continue to bring bills of potential interest to staff for the City's review in the coming weeks.

LOOKING FORWARD

- **MAY 24:** Deadline for bills to pass their house of origin
- **JUNE 15:** Legislature must pass the main budget bill
- **JUNE 30:** Governor must sign the main budget bill
- **JULY 5—AUGUST 4:** Summer Recess
- **AUGUST 31:** Last day for the Legislature to pass bills; end of the 2023-2024 legislative session
- **SEPTEMBER 30:** Last day for the Governor to sign or veto bills