
MEMORANDUM

To: City of Santa Clara

From: Townsend Public Affairs
Casey Elliott, Vice President

Date: June 19, 2024

Subject: Q2 Legislative Update

The month of May is traditionally one of the busier months in Sacramento, as the Legislature navigated through the Appropriations Committee Suspense File process and moves bills out of their House of Origin. Additionally, the Governor released the May Revise of the proposed state budget and began working with the Legislature to craft a final budget agreement so that the Legislature can meet their constitutional deadline to pass a budget on June 15th.

Appropriations Committees Consider the Fate of Hundreds of Bills

On May 16th, the Assembly and Senate Appropriations Committee each held a hearing to consider measures that had been referred to each committee's suspense file. The Appropriations Committees typically refer any bill that is deemed to have a non-minor fiscal impact to the state to their suspense file. The committees then hold a single hearing where they consider all bills on the suspense file and either advance bills to the Assembly or Senate Floor for consideration or hold the bills in committee. Those bills that are held in committee are ineligible for additional consideration this year.

Suspense File hearings are done at a rapid speed, with Appropriations Chairs reading through the outcomes of hundreds of bills. Traditionally, the first suspense hearings of a legislative session happen in May, when lawmakers and their staff have a better idea of the budget picture for that year. Given the recent budget projections of an increasing budget deficit, lawmakers exercised prudence in moving forward bills with big price tags.

Of the 668 bills considered during the Assembly Appropriations Committee's Suspense File hearing, 65% passed, and 35% were held and deemed inactive for the remainder of the Session. Similarly, the Senate Appropriations Committee's Suspense File Agenda featured 341 total bills – 74.5% of which were passed, and 25.5% were held and deemed inactive. In total, there were 1,009 bills in the Suspense Files between both Committees; 689 passed to their House Floors, with 320 measures held in committee. Notably, many of the measures passed onto the floor received substantial amendments.

Assembly and Senate Move Bills Out of the First House Prior to Deadline

Following Appropriations Suspense File Hearings in both houses, the week of May 20 – May 24 featured another major legislative hurdle for bills – the May 24th House of Origin deadline. During this time, both houses held daily floor session proceedings as they raced to consider bills to meet the House of Origin deadline. The House of Origin deadline marks the last day for any bill

introduced in the Senate or Assembly to pass off of the floor and into the second house for consideration.

Looking forward, policy committees will resume hearings with a quick pace in late May through early July. Policy committees will have little over a month to hear and pass measures from the opposite house out of their policy committee, prior to the July 3rd statutory deadline, which also marks the beginning of the Legislature's Summer Recess.

Retail Theft and Fentanyl Crisis Bills Pass First House

In late May, numerous measures pertaining to retail theft and preventing fentanyl overdoses passed in both the Assembly and Senate floors, prior to the house of origin deadline.

The Assembly passed their seven-measure retail theft legislative package, titled the [California Retail Theft Reduction Act](#), which aims to curb retail theft occurrences. The package, originally announced by Assembly Speaker Robert Rivas and a bipartisan coalition of Assembly Members earlier this year in April, consists of seven bills that are focused on reducing retail crime and addressing other theft incidents.

Similarly, the Senate passed their legislative package, titled the [Safer California Plan](#), which includes fifteen measures to address the fentanyl crisis and curbing retail theft and community-based crime. Specifically, the package includes ten measures to address the fentanyl crisis, and five measures to curb retail theft and community-based crime.

Notably, the Assembly package does not include constitutional reforms to Proposition 47, the 2014 initiative which specified that all thefts of property worth \$950 or less are punished as misdemeanors and reduced certain nonserious and nonviolent drug possession and property crimes from felonies and wobblers to misdemeanors, among other key provisions. Currently, a coalition is pursuing a ballot initiative to enact reforms to Proposition 47 on the November ballot. The initiative, titled the [Homelessness, Drug Addiction, and Theft Reduction Act](#), would increase penalties for some drug and theft crimes, by rolling back Proposition 47 and requires some individuals, arrested three or more times for drug crimes, into treatment. The statutory deadline for measures to qualify for the November ballot is June 27.

In mid-June, Speaker Rivas and Democratic leaders from the Assembly and Senate held a press conference to announce that they would be fast-tracking retail theft and organized crime bills, so that they can be signed by the Governor. The Speaker announced that the bills would be amended to add an urgency clause, as well as language that would repeal the bills should the initiative to amend Prop 47 be approved by voters at the November General Election.

The Speaker also indicated that he supports the will of voters, so that if voters would prefer the initiative approach to amend Proposition 47, and approve that measure in November, then the legislative vehicles would then be rescinded. Legislative Republicans, and some law enforcement stakeholders, view the amendments as a political maneuver to draw support away from the proposed initiative in November, and have withdrawn their support for the legislative package. They contend that in order to address the state's issues related to crime and retail theft both the legislative modifications and the proposed initiative are necessary.

At this point, it is anticipated that the measures will be fast-tracked so that they can be approved by both Houses prior to the Legislature, and signed into law by Governor Newsom, prior to June 27th.

May Revise Released

On May 10th, Governor Newsom released his 2024-25 State Budget May Revise, which reflects an update to the Governor’s Proposed Budget in January 2024. The May Revise incorporates updated revenue adjustments, adjustments to January Budget proposals, as well as new proposals. The revised spending proposal totals \$288 billion, which is significantly smaller than the \$310.8 billion budget signed into law last year.

In his presentation, the Governor estimated the state needed to address a \$27.6 billion deficit this year, as well as ongoing deficits of around \$30 billion per year beginning in 2025. The total deficit was less than that of the January Budget following the enactment of the “Early Action” budget package the Legislature and Administration worked on to solve \$17 billion of the total shortfall. The Early Action budget package included cuts to undisbursed one-time spending programs across the previous three budgets.

Throughout his presentation, the Governor attributed the shortfall to the state’s “volatile” progressive tax structure that largely relies on the financial performance of high-income earners. Earlier this year, during the Governor’s January Proposed Budget, the Governor attributed the shortfall to the substantial decline in the stock market that drove down revenues in 2022 and the unprecedented delay in critical income tax collections. Additionally, the 2023 Budget Act experienced a budget shortfall of approximately \$32 billion which became exacerbated by the IRS’s tax filing and payment delay which generated a budget without an accurate depiction of revenues. Once additional tax receipts for 2022 were received in late November 2023, the 2022 revenues were lower than projected when the 2023 Budget Act was adopted. Similar to the 2023-24 budget cycle, the FY 24-25 continues the deficit trend with a total shortfall of \$37.9 billion.

As mentioned, in recognizing the importance of addressing the shortfall ahead of schedule, the Legislature passed an Early Action Budget Package in April that reduced the size of the budget shortfall by approximately \$17.3 billion ([AB 106](#)). This package was comprised primarily of solutions included in the Governor’s Budget and also accounted for the use of \$12.2 billion from the Budget Stabilization Account (BSA).

Subtracting the savings of \$17.3 billion from the Early Action Budget Package from the stated total budget deficit of \$37.9 billion, there remained a \$20.6 billion deficit to resolve in the coming budget year. The May Revise estimates an additional \$7.0 billion reduction in revenues, which sums up the new problem to resolve in the budget to \$27.6 billion.

Jan 10 Budget Deficit Estimate	\$37.9 billion
Early Action Budget Package	- \$17.3 billion
May Revise Deficit Adjustment	\$7.0 billion
Total State Budget Deficit	\$27.6 billion

The May Revise takes into account the budget solutions proposed in the January 10 budget (including those proposals that were and were not included in the Early Action Budget Package), adds the additional revenue reductions to the problem, and then proposes the additional solutions necessary to close the entire gap. Below is a summary of both the Jan 10 solutions and May Revise solutions necessary to close the entire estimated budget deficit. Detailed breakdowns follow.

	Jan 10 Budget Solutions	Additional May Revise Solution and Adjustments
Reserves	\$13.1 billion	- \$8.9 billion
Reductions	\$8.5 billion	\$10.7 billion
Revenue/Borrowing	\$5.7 billion	\$2.0 billion
Delays	\$5.1 billion	\$520 million
Fund Shifts	\$3.4 billion	\$3.9 billion
Deferrals	\$2.1 billion	
Total	\$37.9 billion	\$8.2 billion

Joint Legislative Budget Proposal Released

On May 29th, Senate and Assembly leadership released their outline of a joint proposed budget in response to the Governor’s May Revise proposal. The Joint Legislative Budget Plan is a high-level outline and lacks technical details that accompany the Governor’s budget proposals but will help serve as a basis for the Legislature in the ongoing budget negotiations with the Administration. Specific details on the items, and other related actions, within the Legislature’s Budget Plan will be made available as part of the public hearing agendas for the Assembly and Senate budget committee hearings in the coming days.

The Legislature’s proposed budget solves a similar deficit and reserve spending problem as outlined by the Administration. The Legislature’s plan does rely more on increased revenue over the budget year than the Governor’s May Revise, and then utilizes that new revenue to offset many of the cuts contained within the May Revise. The primary source of increased revenue is building on the Governor’s proposal to suspend Net Operating Loss deductions and cap various business tax credits for three years; however, the Legislature’s Plan starts the three-year period earlier than the Governor so that the suspension and cap will be in place for tax years 2024, 2025, and 2026. The Legislature believes that applying these revenue measures in FY 2024-25 will result in an additional \$7 billion in revenue beyond what was contemplated in the May Revise.

In addition, the Legislature proposes reconfiguring or rejecting a number of proposed cuts initially incorporated into the Governor’s proposal. These include:

- The Legislature proposes rejecting proposed cuts to Multifamily Housing, Regional Early Action Planning (REAP) 2.0, and Housing Navigation and Maintenance Program.
- The Legislature proposes reinstating the Homeless Housing, Assistance, and Prevention (HHAP) program for Round 6 at \$1 billion.
- The Legislature proposes rejecting the proposed cut to the Active Transportation Program and shifting to the State Highway Account.

Additionally, the Legislature’s Budget Plan contains two proposals aimed at providing avoiding significant budget shortfalls in the future. The first proposal would update the state’s rainy-day fund by increasing the maximum size of the rainy day from 10% of the state’s general fund to 20%, as well as excluding deposits into the rainy-day fund from the Gann Limit. The second reform would create a “Projected Surplus Temporary Holding Account” that can be used in years in which a significant budget surplus is anticipated. Under this proposal an unspecified amount of the anticipated surplus would be allocated to the account and available for use once the funding materializes, so that the Legislature does not approve spending based on projected revenue that

never materializes. Specific information on these proposals is still forthcoming, but it is possible that these reforms will need to be approved by voters, potentially as soon as at the November General Election.

Budget Approval

On June 13th, the Legislature met to consider three bills: a main budget bill and two trailer bills. These three bills represent the Legislature's version of the state budget, but do not reflect an agreement with the Administration on the overall budget.

This three-bill package approved by the Legislature is reflective of the joint legislative budget plan approved by both the Assembly and Senate in late May. The contents of the bills are overarching in nature, but do not contain the level of specificity that will be found in the final budget/trailer bill package that will implement the final budget agreement. During the floor debate, Senate Pro Tem McGuire expressed optimism over the ongoing negotiations with the Administration and that the Legislature would be able to consider a final budget package prior to the end of June.

In addition to the main budget bill (AB 107), two trailer bills were approved, as they contain provisions that are foundational to the revenue assumptions contained within the main budget. SB 167 contain numerous revenue adjustments, including the Legislature's plan to start a three-year suspension of corporate net operating loss (NOL) deductions and tax credits in 2024—one year earlier than the Governor proposed. This results in the legislative plan having more revenues than the May Revision proposal in 2024-25. The higher revenues allow the restoration of some social services, transportation, and housing cuts in the legislative plan. Additionally, the Prop 98 trailer bill suspends the Prop 98 minimum guarantee in the current budget year and will require reductions in current year education spending to be provided back to educational entities as part of future budgets.

SB 154 suspends the Proposition 98 minimum funding guarantee for school districts and community colleges in the current 2023-24 budget year. The bill creates an \$8.314 billion maintenance factor, which will be constitutionally required to be repaid in subsequent budget years. This budget trailer bill helps the budget balance in the current year without requiring educational entities to provide funding, that has already been received and spent, back to the state. Additionally, the measure ensures that the budget balancing measure will not result in lower levels of funding for education in future years.

The State's Constitution requires the Legislature to pass a balanced budget bill by June 15th of each calendar year. With the passage of AB 107, the Legislature met their constitutional requirement to approve a budget.

Subsequent amendments to the Budget Act, to enact the final budget agreement, will be done by a series of budget trailer bills. There is no constitutional deadline for approval of these trailer bills, so it is likely that the Legislature will approve these trailer bills later in June, once a complete budget deal is reached, but there may be additional actions over the remainder of the legislative session.

Proposition 1 Update: Preliminary Guidance Released

On May 14th, Governor Newsom held a press conference in San Mateo County to discuss the rollout of Proposition 1 funds. While there is no notice of funding availability language in hand at this point, there is new supplemental guidance for how this funding will be disseminated. [Linked](#)

[here](#) is bond guidance issued by the California Department of Health Care Services (DHCS) which serves as a supplemental to the forthcoming Requests for Applications (RFAs). The programs will include the following:

- Bond BHCIP Round 1: Launch Ready RFA is expected to be released in **July 2024 for up to \$3.3 billion in funding.**
- Bond BHCIP Round 2: Unmet Needs RFA is expected to be released in **May 2025 for up to \$1.1 billion in funding.**

Overall, prospective applicants for Proposition 1 funding should prepare for a quick application period. The Governor iterated that funding would become available as soon as July, with requirements for applicants to complete pre-application consultations at least 8 weeks before the undetermined application deadline. The urgency associated with the quick rollout is likely not unrelated to the lack of homeless funding included in the State's budget proposal, which is experiencing significant funding shortfalls.

Notably, the bond funding will institute regional funding caps – aside from the \$1.5 billion available for Cities, counties, and tribal entities. This funding pot will be competitive and not region-specific or subject to population-based formulaic disbursements. Additional information is anticipated to be released in the coming weeks regarding the application specifics and requirements for each round of funding.

Legislative Calendar

The Legislature reconvened for the second year of the 2023-24 Legislative Session on January 3rd. The Legislature will initially focus on revisiting legislation that was introduced last year, but failed to move out of the first house, before moving on to new bills to be considered in 2024.

Below are the upcoming relevant dates for the Legislature:

June 15th – Deadline for the Legislature to approve a budget bill

June 27th – Deadline to qualify measures for the November General Election ballot

July 3rd – Deadline for bills to advance out of Second House policy committees

July 3rd – August 4th – Legislative Summer Recess

August 16th – Deadline for bills to advance out of Second House fiscal committees

August 31st – Final recess begins on adjournment of floor session

September 30th – Last day for Governor to act on pending legislation

Priority Legislation

The State Legislature returned from interim recess in January to begin the second year of the 2023-24 legislative session. As it is the second year of a two-year session, those bills that did not progress in the previous session and were marked as “2-Year Bills” had the opportunity to progress at the behest of their authors until the end of January. Additionally, legislators had until February 16th to introduce new bills. Ultimately, the Legislature introduced 2,124 new bills prior to the deadline; 1,505 Assembly Bills, and 619 Senate Bills.

Notable introductions include the following:

AB 1794 (McCarty) – Crimes: larceny

The Safe Neighborhoods and Schools Act, enacted as an initiative statute by Proposition 47, as approved by the electors at the November 4, 2014, statewide general election, makes the theft of money, labor, or property petty theft punishable as a misdemeanor, whenever the value of the property taken does not exceed \$950. Under current law, if the value of the property taken exceeds \$950, the theft is grand theft, punishable as a misdemeanor or a felony. Proposition 47 requires shoplifting, defined as entering a commercial establishment with the intent to commit larceny if the value of the property taken does not exceed \$950, to be punished as a misdemeanor. Under current law, if the value of all property taken over the course of distinct but related acts motivated by one intention, general impulse, and plan exceeds \$950, those values may be aggregated into a single charge of grand theft. This bill would clarify that those values may be aggregated even though the thefts occurred in different places or from different victims. The bill would also, declarative of existing law, provide that circumstantial evidence may be used to prove that multiple thefts were motivated by one intention, general impulse, and plan. **This bill was approved by the Senate Public Safety Committee and has been referred to the Senate Appropriations Committee for consideration.**

AB 1893 (Wicks) – Housing Accountability Act

This bill would make changes to the “Builder’s Remedy” under the Housing Accountability Act. As proposed, this bill would reduce the required percentage of affordable units for a Builder’s Remedy project from 20% to 10% where lower income units would be provided and create a new basis for denying a Builder’s Remedy project, including where the residential density of the project would be lower than otherwise permitted, the project is excessively dense, or that a project fails to meet objective, quantifiable, or written development standards applicable to the site. **This bill was approved by the Senate Housing Committee and has been referred to the Senate Local Government Committee.**

AB 2561 (McKinnor) – Local public employment: vacant positions

This bill would require each public agency with bargaining unit vacancy rates exceeding 10% for more than 90 days within the past 180 days to meet and confer with a representative of the recognized employee organization to produce, publish, and implement a plan consisting of specified components to fill all vacant positions within the subsequent 180 days. The bill would require the public agency to present this plan during a public hearing to the governing legislative body and to publish the plan on its internet website for public review for at least one year. **This bill was on the Assembly Floor (51-5) and is currently awaiting consideration in the Senate Labor, Public Employment, and Retirement Committee.**

AB 2813 (Aguiar-Curry) – Government Investment Act

The Legislature adopted Assembly Constitutional Amendment 1 (ACA 1) at the 2023–24 Regular Session of the Legislature, which, if approved by the voters, would amend and add provisions of the California Constitution to (1) create an additional exception to the 1% limit on the ad valorem tax rate on real property by authorizing a local jurisdiction to levy an ad valorem tax to service bonded indebtedness incurred to fund the construction, reconstruction, rehabilitation, or replacement of public infrastructure, affordable housing, or permanent supportive housing, if the proposition proposing that tax is approved by 55% of the voters in that local jurisdiction; and (2) authorize a local jurisdiction to impose, extend, or increase a sales and use tax to fund the construction, reconstruction, rehabilitation, or replacement of public infrastructure, affordable housing, or permanent supportive housing, if the proposition proposing that tax is approved by 55% of the voters in that local jurisdiction. Pursuant to the existing law described above, ACA 1 is scheduled to appear on the ballot at the November 5, 2024, statewide general election. This bill, for purposes of ACA 1, would define “affordable housing” to include rental housing, ownership

housing, interim housing, and affordable housing programs such as downpayment assistance, first-time homebuyer programs, and owner-occupied affordable housing rehabilitation programs, that are affordable to households earning up to 150% of countywide median income. The bill would require a local government to ensure that any project that is funded with ACA 1 bonded indebtedness to have an estimated useful life of at least 15 years or 5 years if the funds are for specified public safety facilities, infrastructure, and equipment. The bill would define “public infrastructure” to exclude the construction, reconstruction, rehabilitation, or replacement of a sports stadium or arena where the majority of the use of the facility is for private ticketed activities. **This bill was approved on the Assembly Floor (56-5) and is currently in the Senate Rules Committee awaiting referral to a policy committee.**

SB 972 (Min) – Methane emissions: organic waste: landfills

Current law requires the State Air Resources Board to approve and begin implementing a comprehensive strategy to reduce emissions of short-lived climate pollutants in the state and to achieve a reduction in specified emissions, including methane, as provided. Current law requires the methane reduction goals to include a 75% reduction target from the 2014 level by 2025. Current law requires the Department of Resources Recycling and Recovery, in consultation with the state board, to adopt regulations, as provided, that achieve the targets for reducing organic waste in landfills. This bill would require the department to provide procedures for local jurisdictions to request technical assistance regarding organic waste and methane reduction requirements from the department, to post those procedures on its internet website, and to provide that technical assistance. **This bill was approved by the Assembly Natural Resources Committee and has been referred to the Assembly Appropriations Committee for consideration.**

SB 1037 (Wiener) – Planning and zoning: housing element: enforcement

This bill, in any action brought by the Attorney General, on behalf of HCD or in an independent capacity, to enforce the adoption of housing element revisions, as specified, or to enforce any state law that requires a city, county, or local agency to ministerially approve any planning or permitting application related to a housing development project, would subject the city, county, or local agency to specified remedies, including a civil penalty of, at minimum, \$10,000 per month, and not exceeding \$50,000 per month, for each violation. The bill would require that the penalties set forth in its provisions only apply when the local agency’s acts or omissions, as described, are arbitrary, capricious, or entirely lacking in evidentiary support, contrary to established public policy, unlawful, or procedurally unfair. **This bill was approved by the Assembly Judiciary Committee and has been referred to the Assembly Appropriations Committee for consideration.**

FEDERAL LEGISLATIVE UPDATES

In addition to the House fully transitioning into the FY2025 appropriations cycle in May, the Senate continued legislative mark ups, and committee and floor hearings. The House and Senate were both out of session for their annual Memorial Day Recess during the week of May 27th. Members of Congress take this time to schedule outreach in their districts and states, while some participate in diplomatic delegations overseas. When Congress returns, the House will begin work to advance Fiscal Year 2025 appropriations bills, starting with the bills funding the Legislative Branch and Military Construction and Veterans Affairs. The Senate will return to vote on several of President Biden’s nominees ahead of a busy summer working on the Water Resources Development Act, National Defense Authorization Act, Farm Bill, and other legislation.

FY2025 Appropriations Early Timeline Prospects

The House has conducted budget request hearings and announced the markup schedule for the summer for all twelve appropriations bills, as the new Appropriations Committee Chairman Tom Cole would like to pass all twelve bills off the floor by the August recess.

In a letter addressed to members of the House of Representatives, Chairman Cole stated that nonprofits will no longer be eligible for earmarks. This reopened discussions around policy riders in FY2025 spending packages. The House Freedom Caucus will attempt to strongarm Chairman Cole and pressure a politically confined House Speaker to attach partisan riders. Conservatives will aim to add provisions around diversity, abortion, climate change, transgender and LGBTQ funding, among other partisan issues. Freedom Caucus members tried to attach these measures previously in the FY2024 packages, but they were unsuccessful. It is unclear how Chairman Cole will engage with the conservative wing of the Republican Conference.

Senate Environment and Public Works Committee Approves the Water Resources Development Act of 2024

On May 22nd, the Senate Committee on Environment and Public Works unanimously approved S.4367, the Water Resources Development Act of 2024 (WRDA) in their committee markup. The legislation was authored by committee Chairman Tom Carper and cosponsored by Ranking Member Shelley Moore-Capito. With full committee support, the legislation is likely to pass in the Senate.

WRDA addresses various aspects of water resources: environmental, structural, navigational, flood protection, hydrology, and more. WRDA authorizes investments in projects and programs of the U.S. Army Corps of Engineers (USACE) and is reauthorized every two years.

Senators are hoping to advance S.4367 to the floor in the coming weeks but are awaiting a score from the Congressional Budget Office. The House is still working on its own WRDA bill. The House Transportation and Infrastructure Committee is looking to consider it in June.

House Agriculture Committee Hosts Farm Bill Markup

The House Agriculture Committee hosted an overdue markup for the Food and National Security Act of 2024, commonly known as the Farm Bill. The Farm Bill is a comprehensive spending package that funds agriculture, food, and nutrition programs for five years.

Committee Democrats and anti-hunger groups came out against the bill, arguing that despite its benefits to nutrition programs, future updates to the popular Thrifty Food Plan should not be limited. Democrats aimed to expand access to nutrition programs such as the Supplemental Nutrition Assistance Program, known as CalFresh in California. Election year politics play a pivotal role in the legislation's outlook. Republicans are looking to oust Democrats on the House Agriculture Committee who represent agriculture-heavy districts.

The Senate Committee on Agriculture, Nutrition, and Forestry Chairwoman Debbie Stabenow intends to produce a rival piece of legislation with more Democrat priorities. Senate Agriculture Committee Democrats and party leadership criticized the House version of the Farm Bill for its partisanship. They believe their version will be bipartisan and overcome the filibuster.

The House Agriculture Committee's decisive action comes as they continue to work through the list of mandatory spending items. The last Farm bill authorized was in 2018, and it was originally set to expire last September. Congress voted for a continuing resolution to keep agriculture programs funded in order to focus on FY2024 appropriations and other spending packages; the resolution expires this coming September.

Congress Passed FAA Reauthorization Act

Congress passed the FAA Reauthorization Act of 2024 (H.R. 3935). Senate and House Members came to an agreement after passing multiple continual resolutions (CR) last year. FAA funding was set to expire on May 10, but a last-minute weeklong CR was passed, allowing Senators to consider amendments to the legislation. H.R. 3935 has been signed by President Biden.

Under the agreement the FAA will receive \$105 billion through FY2028 for operations. The measure reauthorized the National Transportation Safety Board, allotting \$738 million over five years. The bill will also make it possible for the FAA to hire and train air traffic controllers to close a gap of 3,000 vacancies. According to the Bureau of Labor Statistics, there are 250 air traffic control vacancies in California. The bill mandates more research into how many controllers are needed at each tower and center and increases access to training simulators in more air traffic control towers nationwide.

Due to bicameral opposition, the pilot retirement age was not raised to 67 from 65. International rules would have prevented airline pilots older than 65 from flying in most countries. Last July, the House voted on an earlier version of H.R. 3935 to raise the retirement age, however, the Senate Commerce Committee voted to reject the increase.

California Bipartisan Lawmakers Pass Fire Weather Legislation in the House

Congresswoman Young Kim and Congressman Mike Garcia's Fire Weather Development Act ([H.R. 4866](#)) passed in the House. The collaborative legislation aims to expand fire weather and environment monitoring and forecasting capabilities. The objective is to improve communications and data accessibility to first responders and meteorological personnel. California averages between 7,000-8,000 wildfires per year. Managing wildfires is a major statewide effort every year for federal, state, and local leaders. H.R. 4866 would likely be brought to the Senate floor as part of a larger legislative vehicle if it is considered. Congress has a few outstanding mandatory spending packages to address prior to the end of the legislative session.

H.R. 4866 directs the National Oceanic and Atmospheric Administration (NOAA) to create and improve fire weather and environment forecasting and detection through federal, state, and local collaboration by:

- Allowing NOAA to enter private contracts to gain airborne and space-based data to enhance fire weather and fire environment monitoring and prediction.
- Giving NOAA the ability to assess drone use to improve data collection and to conduct drone pilot programs.
- Creating an Interagency Coordinating Committee on Wildfires to accurately detect and forecast wildfires to assist state and local emergency officials.

- Setting up a National Advisory Committee on Wildfires to offer recommendations on wildfire forecasting communication and opportunities to streamline Federal forecasting and detection data to local communities.
- Developing a fire weather testbed to evaluate technology and fire weather tools and services.
- Directing NOAA to submit an assessment of National Weather Service workforce challenges for Incident Meteorologists and a plan of action to address these challenges.

Biden-Harris Administration Launches Federal-State Initiative to Bolster America's Power Grid

On May 28th, the White House announced the Federal-State Modern Grid Deployment Initiative. The initiative aims to modernize and improve the nation's electrical grid and create a coordinated plan between states, federal entities, and power sector stakeholders to help drive grid adaptation quickly and cost-effectively. The program received commitments from twenty-one states, including California.

The plan will help states meet the demands of a rapidly changing energy landscape with aging infrastructure and new grid-enhancing technologies. The initiative hopes to increase grid resilience to the growing impacts of climate change and better protect consumers from variability in energy prices.

The Biden Administration said that most electrical grids have not been updated in decades, but there is modern technology to achieve higher capacity expansion and maximize electricity transmission. This is important to meet the growing demand on the grid from the transition away from fossil fuels. For example, as the number of electric vehicles on the country's roads grows, a more robust electrical grid will be necessary to meet the demand for electricity. Improving electrical infrastructure has been a priority for President Biden and was a central pillar of his Bipartisan Infrastructure Law passed in Fall 2021.

HUD is Expanding Solutions to Tackle Homelessness with Housing Vouchers

The U.S. Department of Housing and Urban Development (HUD) announced a new opportunity for communities to expedite housing assistance for people experiencing homelessness with the Housing Choice Voucher (HCV) program. Housing agencies can now request self-certification of income to determine program eligibility. This will help shorten the amount of time it takes to move people experiencing homelessness into healthy, stable homes.

The new HCV waivers will also allow housing agencies to accept disability status and other specific information to expedite assistance. Agencies must then verify tenants' eligibility within 90 days after the date they begin receiving assistance.

People experiencing homelessness often lack the documents necessary to establish their eligibility for voucher assistance, such as social security cards or pay stubs. Missing documents significantly delays or prevents assistance and timely access to housing.

HUD Released New Rule to Modernize Housing Voucher Programs

The U.S. Department of Housing and Urban Development (HUD) announced the publication of a new rule taking effect on June 6 aimed at modernizing and increasing the efficiency of HUD's voucher programs. The two programs impacted, the Housing Choice Voucher and Project Based Voucher programs, provide Public Housing Agencies (PHA) the tools to preserve and expand affordable housing. However, particularly in California, PHAs have struggled to rapidly increase the affordable housing supply necessary to meet demand.

In response, HUD's new rule makes numerous changes to decrease the regulatory burden on PHAs and assist families in their search for housing. Specifically, PHAs will now be able to tie long term Project Based Vouchers to specific units rather than to a tenant, allowing project owners to more easily secure financing. These vouchers can now also be used for manufactured housing, which costs far less and can be rapidly constructed. HUD asserts that these changes will provide the needed flexibility to increase the supply of affordable housing more efficiently. Other changes set new housing quality standards, ensure that units do not remain overcrowded or under-occupied, and establish local project-specific waiting lists to help families move into units more quickly.

The final rule can be accessed [here](#).