

# City of Visalia

## 2021 Legislative & Executive Branch Review 2022 Overview

# Representing the City

- Michelle Rubalcava
- Two Main Areas
  - Legislative Branch
  - Executive Branch/Regulatory
- Political Law Compliance and Reporting

# 2021 Legislative Summary

- 2,203 bills introduced in 2021
  - 1,527 Assembly Bills
  - 676 Senate Bills
- 836 bills sent to Governor's desk (38%)
- Total Bills Signed into Law: 770  
(92%)
- Total Bills Vetoed: 66 (7.9%)

## 2021 Legislative Efforts

- 146 bills tracked for the City of Visalia
- 59 bills watched
  - 25 died in the legislature
- Subject Matter
  - Housing
  - Homelessness
  - Economy
  - COVID-19

## Bills with Positions

- SB 9 (Housing Development) – Oppose unless Amended/Neutral - Signed
- SB 106 (Mental Health Services) – Watch – Held in Legislature
- SB 387 (Pupil Health) – Support – Held in Legislature
- AB 377 (Water Quality) – Oppose – Held in Legislature
- AB 1434 (Indoor water use) – Oppose – Held in Legislature

# Executive Branch/Regulatory Issues

- COVID-19/State Orders
- Water
  - Sustainable Groundwater Management
  - Outdoor water use
- Recycling
- Homeless shelters/funding
- Industrial Park/Energy Needs

## 2022 Process

- Capitol access remains limited
- Calls/Video meetings
- Remote Hearings
- Remote voting by legislators

# Redistricting

- City of Visalia split across two districts
- Senate
  - SD 12 – Anna Caballero
  - SD 16 – Shannon Grove
- Assembly
  - Current – AD 26 – Devon Mathis
  - AD 32 – Rudy Salas
  - AD 33 – Thurston Smith



# Governor's Budget Proposal

- Unveiled Monday Jan 10
- \$286 billion spending plan
  - \$45.7 billion surplus
- Major investments areas
  - COVID-19, including increased vaccines, testing, and medical personnel.
  - Homelessness, including mental health housing and encampments.
  - Climate Change, including forest management and drought response.
  - Affordability, including healthcare coverage, child care, housing, and small business relief.
  - Safer Streets, including local law enforcement grants and gun buybacks.

# Housing

- \$500 million one-time General Fund over two years (\$225 million in 2022-23, and \$275 million in 2023-24) for the Infill Infrastructure Grant program.
- \$300 million one-time General Fund over two years (\$75 million in 2022-23, and \$225 million in 2023-24) for the Affordable Housing and Sustainable Communities Program
- \$100 million one-time General Fund over two years (\$25 million in 2022-23, and \$75 million in 2023-24) to expand affordable housing development on state excess land sites
- \$100 million one-time General Fund over two years (\$50 million in 2022-23, and \$50 million in 2023-24) for adaptive reuse incentive grants.
- \$500 million one-time General Fund for the Low-Income Housing Tax Credit Program to help spur housing construction.
- \$200 million one-time General Fund over two years (\$50 million in 2022-23, and \$150 million in 2023-24) for the California Housing Finance Agency to provide loans to developers for mixed-income rental housing
- \$200 million one-time General Fund over two years (\$50 million in 2022-23, and \$150 million in 2023-24) for the Portfolio Reinvestment Program to further preserve targeted units in downtown-oriented areas
- \$100 million one-time General Fund over two years (\$25 million in 2022-23, and \$75 million in 2023-24) for HCD's Mobile home Park Rehabilitation and Resident Ownership Program.

# Drought

- \$750 million to support drought resilience and response.
  - \$145 million for local emergency drought assistance and grants to local water agencies facing a loss of water supplies.
  - \$30 million for groundwater recharge projects.
  - \$250 million for drought contingency planning.
- \$3.725 billion in federal dollars over the next five years to improve local water infrastructure.

# Revenue and Taxation

- Eliminates the usage limits of net operating losses.
- New tax credit to incentivize climate change adaptation companies to headquarter or maintain headquarters in California.
- Improves the Shuttered Venue Operators Grant by conforming California's tax handling of these grants to the federal treatment
- Maintains the State and Local Tax deduction workaround through a pass-through entity tax and makes statutory changes to improve access by various entities.
- Pauses the annual gas tax inflation adjustment. This pause is expected to decrease fuel tax revenues by \$523 million in 2022-23 based on an estimated 5.6 % inflation rate. The Administration intends to hold local revenues harmless.
- Tax years 2019, 2020, and 2021, families with less than \$150,000 in adjusted gross income (\$75,000 for individuals) will have until Sept. 30, 2023, to pay any personal income tax liability for those years and will be relieved of any penalties and interest related to delayed filing or delayed payment.

# Transportation

- \$9.1 billion of one-time General Fund and bond funds over two years for transportation programs
  - \$4.2 billion to complete the construction of high-speed rail in the Central Valley
  - \$2 billion for high-priority transit and rail infrastructure projects
  - \$750 million for active transportation networks
  - \$500 million for high-priority grade separation projects
  - \$400 million for state and local climate adaptation projects
- \$4.5 billion two-year increase of base federal funding from the federal Infrastructure Investment and Jobs Act for highways, roads, transit, safety, research, and other transportation activities.
- \$2.3 billion for supply chain investments, including \$1.2 billion for port, freight, and goods movement infrastructure and \$1.1 billion for other related areas, such as workforce training, zero-emission port equipment, and infrastructure related to the supply chain.

# Pandemic Response

- \$1.4 billion in early action to maintain and expand COVID-19 mitigation efforts, including efforts to increase vaccination rates and testing.
  - \$214 million to maintain and expand testing operations.
  - \$399 million for vaccine distribution and administration.
- \$1.3 billion for 2022-23 to continue COVID-19 mitigation efforts.
  - \$362 million for testing.
  - \$182 million for vaccine distribution and administration.
- Ongoing legislative discussions to modify the previous COVID-19 Supplemental Paid Sick Leave policy.

# Homelessness

- \$2 billion increase over the next two years to expand access to housing for vulnerable populations with complex behavioral health conditions and people living in encampments.
- \$1.5 billion increase for Department of Health Care Services Behavioral Health Continuum Infrastructure Program to purchase and install tiny homes and provide operational supports.
- \$500 million increase for jurisdictions to invest in rehousing strategies for people experiencing homelessness in encampments around the state.
- \$10.6 million annually for three years to continue the Returning Home Well Program to provide transitional housing to parolees at risk of housing insecurity or homelessness.

# 2022 Legislative Platform

- Purpose is to provide guidance to city staff and NM to allow more nimble response as bills move through the legislative process.
- Minor updates to previously approved platform



Thank you!