

**ENACTED FISCAL YEAR 2022-2023 STATE BUDGET  
POTENTIAL IMPACTS ON THE COUNTY OF SAN DIEGO**



## **INTRODUCTION**

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### **Enacted State Budget** (*Governor's Enacted Budget Summary, Pages 1-10, 12-14*)

The Budget plans for \$307.9 billion in overall spending that includes \$234.4 billion State General Fund to help offset rising costs for residents, expand access to health care for all Californians, address homelessness and behavioral health, accelerate the state's clean energy future, and build wildfire resilience. To build resiliency and prepare for an uncertain future, the Budget allocates 93 percent of the discretionary surplus for one-time purposes.

### **Budget Resilience and Looking Ahead** (*Governor's Enacted Budget Summary, Pages 2, 8-9, 12*)

The Budget includes \$37.2 billion in reserves:

- \$23.3 billion in the State's Rainy Day Fund for fiscal emergencies
- \$9.5 billion in the Public School System Stabilization Account
- \$3.5 billion for operating reserves
- \$900 million in the Safety Net Reserve

### **Broad-Based Relief** (*Governor's Enacted Budget Summary, Pages 1-2, 47-50, 146*)

The Budget includes a \$17.2 billion inflation relief package to get money back into the pockets of Californians and bring down costs for families:

- \$9.5 billion for direct tax refunds to 17.5 million California tax filers, as follows:
  - First Tier: Tax filers with incomes up to \$75,000/\$150,000 (Single Filers/Joint Filers): \$350 per tax filer, plus an additional \$350 if tax filer has at least one dependent
  - Second Tier: Tax filers with incomes above First Tier, but below \$125,000/\$250,000 (Single Filers/Joint Filers): \$250 per tax filer, plus an additional \$250 if tax filer has at least one dependent
  - Third Tier: Tax filers with incomes above Second Tier, but below \$250,000/\$500,000 (Single Filers/Joint Filers): \$200 per tax filer, plus an additional \$200 if tax filer has at least one dependent
- \$1.95 billion one-time to augment the Emergency Rental Assistance (ERA) Program
- \$1.2 billion for residential utility assistance
- \$1.1 billion million to provide retention payments for workers in hospitals, skilled nursing facilities, and psychiatric hospitals
- \$449 million for relief and support of small businesses
- 12-month pause on a portion of the sales tax rate on diesel fuel

### **Broadband For All** (*Governor's Enacted Budget Summary, Pages 56, 138*)

The Budget invests \$300 million in one-time funding in FY 23-24 and \$250 million in FY 24-25 for the California Department of Technology to support the completion of the Broadband Middle-Mile Initiative.

**CARE Court** (*Governor’s Enacted Budget Summary, Pages 7, 83, 109*)

The Budget includes \$64.7 million in FY 22-23 and \$49 million ongoing for State agencies to implement CARE Court. The Budget includes no specific funding for counties; however, the Administration acknowledges continuing to work with counties to estimate costs associated with the new court process.

- \$39.5 million in FY 22-23 and \$37.7 million ongoing for the Judicial Branch to conduct CARE Court hearings and provide resources for self-help centers
- CARE Court will have a significant impact on Behavioral Health Services, the Public Authority, Public Guardian, Public Conservator’s office, Public Defender, and County Counsel. The County Office of Economic Development and Government Affairs is closely monitoring CARE Court and related legislation, Senate Bill 1338, and advocating for sustainable funding, housing, clearly defined eligibility criteria, a realistic implementation timeline, and sanctions relief, consistent with the Legislative Program

**Gann Limit** (*Governor’s Enacted Budget Summary, Pages 9-10, 146*)

As forecasted in the May Revision, the Budget projects the State to remain below the State Appropriations Limit or "Gann Limit" for the 2022-23 fiscal year. The Gann Limit is a calculation that limits the appropriations of tax proceeds that can be made by the State, school districts, and local governments in California. Once exceeded over a two-year period, any funds above this limit are constitutionally required to be allocated evenly between schools and a tax refund. The Budget projects the state to be \$11 billion below the limit for the current two-year period.

**Potential Funding Sources**

The charts below highlight the programs and grant opportunities included in the Enacted FY 2022-23 State Budget package and the potential impacts to the County of San Diego’s four business groups. Many of the details for these funding opportunities are still unknown and/or waiting to be developed by state agencies or in subsequent legislation. The Office of Economic Development and Government Affairs will monitor all notices of funding availability and grant announcements as they are released in the coming months.

**HIGHLIGHTS**

<b>FINANCE AND GENERAL GOVERNMENT</b>	
<b>Budget Item</b>	<b>County Impact</b>
<b>Hospital and Nursing Facility Worker Retention Payments</b> ( <i>Governor’s Enacted Budget Summary, Page 72</i> )	
\$1.1 billion one-time for retention payments to hospital, skilled nursing facility, and other specified workers. Retention payment amounts are subject to available funding and dependent upon the number of eligible applicants.	Potential funding opportunity for Edgemoor and Psychiatric Hospital. Up to \$1,500 in retention payments per full-time employee (\$1,000 plus \$500 requiring matching payment from County), up to \$1,250 per part time employee (\$750 plus \$500 requiring matching payment from County), and \$1,000 per eligible physician.
<b>Cannabis</b> ( <i>Governor’s Enacted Budget Summary, Page 139 &amp; Cannabis Budget Trailer Bill Assembly Bill 195</i> )	
The Budget includes statutory changes to reform cannabis taxes, provide relief to equity cannabis retailers, and authorize high-road cannabis employers and cannabis equity operators to claim tax credits. Major changes include the following:	The tax reform included in the Budget changes the state’s taxation structure and does not change the legal authority already granted to counties to impose cannabis taxes as proposed in the County’s tax measure to be placed on the November 8, 2022 General Election ballot.

<ul style="list-style-type: none"> <li>• effective July 1, 2022, eliminate the cannabis cultivation tax</li> <li>• effective January 1, 2023, shift collection of the excise tax from the distributor to the point-of-sale, maintaining a 15 percent excise tax rate until June 30, 2025</li> <li>• until December 31, 2025, allow equity cannabis retailers who have received an equity fee waiver to retain 20 percent of the excise tax they collect</li> <li>• allow cannabis equity operators to claim tax credits of up to \$10,000 per business per year, for tax years 2023 through 2027             <ul style="list-style-type: none"> <li>○ authorize a county counsel to file a civil action relating to unlawful water pollution and unauthorized water diversions due to unlicensed cannabis cultivation on behalf of the people of the State</li> </ul> </li> </ul>	<p>This reform does not reduce the cumulative tax obligation of operators and, as suggested by cannabis industry trade groups, the cumulative tax rate on the end product should remain at or around 30 percent. The County will continue to monitor the impacts of AB 195 on the cannabis industry and consider these impacts as actual tax rates are set, if approved by the voters.</p> <p>Benefits provided to equity operators based on this tax reform broadens opportunity for operators and will be monitored by the County as the development of the social equity program progresses.</p> <p>The County supported AB 2421 (Rubio) regarding unlicensed cannabis cultivation this year, which has now been included as part of this budget item.</p>
<p><b>California Poet Laureate and Youth Poet Laureate</b> (<i>Governor's Enacted Budget Summary, Page 141</i>)</p>	
<p>\$173,000 to support California Poet Laureate and California Youth Poet Laureate, and to provide outreach and technical assistance to all 58 counties for literary arts programs.</p>	<p>Unclear if there will be a fiscal impact to the County, but potential resources for arts &amp; culture programs.</p>
<p><b>County Assessor's Grant Program</b> (<i>State Government Budget Trailer Bill Senate Bill 189</i>)</p>	
<p>Provides a grant program for county assessors' information technology projects and programs related to the administration of the property tax system.</p>	<p>Potential funding source for the County.</p>

<p><b>HEALTH AND HUMAN SERVICES</b></p>	
<p><b>Budget Item</b></p>	<p><b>County Impact</b></p>
<p><b>Aging</b> (<i>Governor's Enacted Budget Summary, Pages 81, 145</i>)</p>	
<p>\$59.3 million one-time to pilot restoring various local aging programs such as Community Based Support Programs, Family and Caregiver Support, Aging in Place, and Senior Volunteer Development.</p>	<p>Potential for funding to support Aging &amp; Independence Services (AIS) programs.</p>
<p>\$10 million for volunteer programs to engage older adults in volunteer service.</p>	<p>AIS anticipates receiving a portion of these funds.</p>
<p><b>Self Sufficiency</b> (<i>Governor's Enacted Budget Summary, Pages 5, 49-50, 72-75, and Human Services Trailer Bill Senate Bill 187</i>)</p>	
<p>Expansion of Medi-Cal to all income-eligible Californians. Beginning no later than January 1, 2024.</p>	<p>The County eligibility determination process will not change; however, the County could see an increase in applications. Expanded coverage will be inclusive of Medi-Cal, county mental health, substance use disorder services and In-Home Supportive Services (IHSS).</p> <p>The County supported funding for this item in a budget request letter sent on April 6, 2022.</p>

<p>\$3.1 billion in FY 22-23 and an estimated \$1.9 billion in FY 24-25 to continue implementation of the CalAIM initiative.</p>	<p>Anticipates improvement in health outcomes for Medi-Cal beneficiaries.</p>
<p>\$700 million available through June 30, 2027, including \$140 million in FY 22-23, for payments to Medi-Cal managed care plans or providers to advance equity.</p>	<p>Anticipates additional funding flowing directly to local managed care plans and providers to advance areas of concerns, such as advancing equity and improving quality measures.</p>
<p>Ongoing 11 percent increase to CalWORKS Maximum Aid Payment (MAP) levels. In addition, a temporary 10 percent increase to CalWORKS grants through September 2024.</p>	<p>CalWORKS grant increases are also applied to the General Relief program, which is funded with County funds. HHS estimates an increase in costs for General Relief of \$3.2 million annually using current caseload levels.</p>
<p>\$55 million to improve eligibility services within the CalWORKS Single Allocation on a one-time basis in FY 22-23 and FY 23-24.</p>	<p>HHS anticipates receiving a portion of the funding.</p>
<p>\$150 million in both FY 22-23 and FY 23-24 for a Supplemental Security Income/State Supplementary Payment (SSI/SSP) increase effective January 1, 2023. The Budget assumes an additional \$296 million in FY 23-24 and \$593 million ongoing for an additional increase beginning January 1, 2024.</p>	<p>The increase in SSI/SSP benefits are also applied to Cash Assistance Programs for Immigrants (CAPI) benefits. There is no fiscal impact to the County as CAPI is funded by the State. There are approximately 475 CAPI cases in San Diego.</p>
<p>\$35.2 million for planning purposes, increasing to \$113.4 million annually in FY 25-26, to expand the California Food Assistance Program (CFAP) program to Californians age 55 and older regardless of immigration status.</p>	<p>No direct fiscal impact but potential benefit to County clients.</p>
<p><b>In-Home Supportive Services (IHSS)</b> (<i>Governor's Enacted Budget Summary, Page 76, and Human Services Trailer Bill Senate Bill 187</i>)</p>	
<p>\$34.4 million ongoing to establish a permanent back-up provider system for IHSS recipients to avoid disruptions to caregiving due to an immediate need or emergency and to provide a \$2 wage differential for backup providers.</p>	<p>Estimated fiscal impact based on a 4.5 percent share is approximately \$0.7 million to fund the permanent back-up provider system.</p>
<p><b>COVID-19 Pandemic Response</b> (<i>Governor's Enacted Budget Summary, Pages 8, 79-80, 93-95, and Health Trailer Bill Senate Bill 184</i>)</p>	
<p>\$1.8 billion one-time to implement the "Shots, Masks, Awareness, Readiness, Testing, Education, and Rx" (SMARTER) Plan approach to COVID-19, which establishes metrics to continue responding to the pandemic as well as a roadmap for ongoing emergency preparedness, includes activities such as test-to-treat therapeutics, wastewater surveillance, and research on long-term impacts of COVID-19.</p>	
<p>To implement the SMARTER Plan:</p> <ul style="list-style-type: none"> <li>• \$100 million for medical surge staffing</li> <li>• \$530 million to purchase additional antigen test kits.</li> <li>• \$93 million for prioritizing vaccination of children under five and boosters for eligible populations over 50</li> <li>• \$16 million for wastewater surveillance</li> <li>• \$158 million for therapeutic treatment targeted at uninsured and underinsured populations</li> <li>• \$468 million for border operations</li> <li>• \$183 million for operation support</li> </ul>	<p>Potential impacts include additional testing capacity, vaccine education and outreach efforts, enhanced surveillance, border operations and emergency contingency funds. It is unknown whether funds will be allocated directly to counties.</p>

<ul style="list-style-type: none"> <li>\$250 million for emergency contingency funds</li> </ul>	
<p>The Budget also includes trailer bill language to unwind the array of program policy and system-related changes that were put in place over the course of the COVID-19 Public Health Emergency.</p>	
<p>\$1.6 billion in FY 22-23 and \$1.1 billion in 2023-24 to reflect enhanced Federal Medical Assistance Percentage (FMAP) savings for the Department of Health Care Services, Department of Developmental Services, Department of Social Services, and Department of Child Support Services and caseload costs in Medi-Cal associated with the assumed extension of the federal Public Health Emergency from July 15, 2022 to October 15, 2022. Redeterminations are expected to begin January 2023.</p>	<p>Extension of the enhanced FMAP through October 15, 2022, will provide additional resources to support behavioral health services and child welfare services programs. HHS estimates the County could receive up to \$4.3 million.</p>
<p><b>Child Welfare</b> (<i>Governor's Enacted Budget Summary, Pages 37, 75, 77, 84, 90, and Human Services Trailer Bill Senate Bill 187</i>)</p>	
<p>\$50 million in ongoing beginning FY 22-23 to assist counties in reducing approval timelines for foster care applications and \$16.4 million ongoing to provide caregivers with up to four months of emergency assistance payments pending RFA and up to twelve months for cases that meet good cause.</p>	<p>Potential funding to streamline the application process resulting in increased staff time to approve cases in a timely manner and address current RFA backlog.</p>
<p>\$150 million one-time over five years for intensive family finding and engagement services.</p>	<p>The funding is available but awaiting trailer bill language with the details. Conversations are ongoing on the distribution of funds and required level of county match.</p>
<p>\$50 million one-time in FY 22-23 &amp; FY 23-24 for Flexible Family Supports for Home-Based Foster Care to provide additional resources to support resource families.</p>	<p>Funding can be used in similar ways as the Foster Parent Recruitment, Retention, and Support (FPRRS) funding that was distributed in previous years. The County anticipates receiving a portion of these funds.</p>
<p>Increase of \$30 million ongoing to expand availability of foster youth support services offered by the NextUp program.</p>	<p>No direct fiscal impact, however, this will benefit foster youth by providing support for educational materials, transportation, tutoring, food, and emergency housing.</p>
<p>\$1,000 tax credit for young adults age 18 through 25 who have come through the foster care system.</p>	<p>No direct fiscal impact, however, this will benefit youth who have been in foster care beginning in the 2022 tax year.</p>
<p>\$34 million ongoing for the Transitional Housing Program (\$25.3 million) &amp; Housing Navigators Program (\$8.7 million) to provide transitional housing for youth who were formerly in the foster system or on probation.</p>	<p>This action will expand the age range for transitional housing services to young adults &lt; 25 years old (currently range is 24 years old). It will also allow services to be received for 36 months instead of 24.</p> <p>The County initially received a total of \$1 million for the Transitional Housing Program (THP) in rounds 1 &amp; 3 of the allocation &amp; a total of \$0.4 million for the Housing Navigator Program (HNP) from rounds 1 &amp; 2 of the allocation. The County may be eligible to apply for available grant funding.</p>

<p>\$35 million ongoing to support and expand access to the Emergency Child Care Bridge (ECCB) Program.</p>	<p>Potential for funding to increase support in vouchers, navigation and trauma-informed caregiver training.</p>
<p><b>Behavioral Health</b> (<i>Governor's Enacted Budget Summary, Pages 4, 7, 71-74, 90, 103, 141-142 and Health Trailer Bill Senate Bill 184</i>)</p>	
<p>\$290 million one-time over three years to address youth mental health issues. Investments include \$120.5 million in FY 22-23, \$25.5 million in FY 23-24, and \$29 million in FY 24-25 for urgent needs and emergent issues in Children's Behavioral Health; \$50 million for a youth suicide reporting and crisis response pilot program; \$40 million one-time for a children and youth suicide prevention grant program and outreach campaign; and \$25 million to establish a program to attract and support high school students who are considering professional careers in behavioral health.</p>	<p>Potential for funding to support children and youth at risk of suicide, suicide crisis response, and funding for emergent technology to improve assessment, supports, and treatment.</p>
<p>\$1.5 billion over two years for the Behavioral Health Bridge Housing Program to provide additional housing and treatment supports to those with behavioral health needs.</p>	<p>Potential for funding to support housing and treatment for those with behavioral health needs.</p>
<p>\$1.4 billion over five-years to add qualifying community-based mobile crisis intervention services as a Medi-Cal covered benefit no sooner than January 1, 2023.</p>	<p>This funding will allow for additional resources to support mobile crisis intervention services in the County.</p>
<p>\$50 million one-time over three years to establish the California Veteran Health Initiative. Investments include \$40 million to expand mental health service capacity by supporting a network of veteran-specific mental health services; \$5 million for outreach and education on veteran suicide; and \$5 million to establish a veteran suicide surveillance and review program.</p>	<p>Potential funding source to support County efforts to enhance mental health services for veterans. Awaiting trailer bill language with additional details.</p>
<p>\$8 million one-time to support the capacity of call centers to launch and operate 9-8-8 and \$7.5 million in FY 22-23 and \$6 million ongoing to support equipment for transferring calls between the 9-8-8 and 9-1-1 systems.</p>	<p>Potential for funding to support Behavioral Health Services' existing Access and Crisis line. Awaiting trailer bill language with additional details.</p>
<p><b>Public Health</b> (<i>Governor's Enacted Budget Summary, Pages 6, 8, 49, 66, 69-71, 73, 76, 82-84, 126, 144</i>)</p>	
<p>\$304 million to reinstitute California's premium subsidy program to provide additional support to lower-income and individuals with income between 400-600 percent of the federal poverty level.</p>	<p>No direct fiscal impact, however potential benefit to County clients.</p>
<p>Over \$200 million to protect the right to safe and accessible reproductive health care. Investments include \$40 million one-time, available over six years, to offset the cost of providing care to uninsured and underinsured individuals; \$30 million over two years to provide supplemental payments to community clinics that offer abortion care; and \$15 million for grants to community-</p>	<p>No direct fiscal impact, however, will improve access to reproductive care.</p>

based reproductive health, rights, and justice organizations to conduct outreach and education.	
Sunset of the Child Health and Disability Prevention Program (CHDP) and the implementation of the Children's Presumptive Eligibility Program effective July 1, 2024.	Proposal will expand the presumptive eligibility for children to Medi-Cal through CalAIM, but may also reduce overall revenue to counties for certain services.
\$300 million ongoing for state and local health departments to expand the state's ability to protect public health and address social determinants of health.	HHSA estimates the County could receive approximately \$14.4 million based on the State's allocation methodology.  The County supported funding for this item in a budget request letter sent on April 6, 2022.
\$1.06 billion one-time over three years to strengthen and expand the state's health and human services workforce. Investments include \$220 million over three years for a nursing initiative; \$281.4 million over three years for community health workers recruitment and training; \$126 million for a social worker initiative; \$52 million over two years for grants to colleges and universities for behavioral health professionals; and \$60 million over two years to expand masters in social work (MSW) slots at public universities and colleges.	Potential for funding and resources to increase the care economy workforce. In addition, potential to increase the number of MSWs available to hire.  The County supported funding for this item in a budget request letter sent on April 6, 2022.
\$25 million one-time for a grant program to bolster the actions of local public health jurisdictions to effectively respond to climate change-imposed health risks.	Potential for grant opportunities to support coordination with community partners in developing regional resilience plans.
\$10 million ongoing to establish a monitoring program to track emerging or intensified climate-sensitive health impacts and diseases.	Potential for grant opportunities to support monitoring for emerging and intensified climate-sensitive diseases.
\$65 million in FY 22-23 through FY 25-26 to establish the State Office of Community Partnerships and Strategic Communications within the Office of Planning and Research to manage the state's public awareness and community outreach campaigns.	Potential funding opportunity for the Community Health and Engagement Team (CHET) under the Office of Homeless Solutions and Equitable Communities (HSEC) and/or opportunities to partner with community-based organizations to provide outreach.
\$12 million one-time available over three years to support Promise Neighborhoods in Chula Vista, Corning, Hayward, and Mission.	No direct impact to the County. The funding goes directly to the Promise Neighborhoods. Their efforts align with many CoSD Community Health Initiatives.
<b>Housing</b> (Governor's Enacted Budget Summary Pages 49, 55, 65, 87-89 and Budget Bill Jr. Assembly Bill 178)	
\$350 million one-time over two years for the CalHome Program to provide grants to local public agencies and nonprofit corporations for first-time homebuyer and housing rehabilitation assistance, and counseling.	The County may be eligible to apply for available grant funding.
\$425 million over two years to fund necessary infrastructure for affordable housing on prime infill parcels in downtown-oriented areas.	No direct fiscal impact to the County. This fund creates potential grant opportunities for non-profits and for-profit developers.
\$400 million over two years for adaptive reuse incentive grants.	No direct fiscal impact to the County. This fund creates potential grant opportunities for non-profits and for-profit developers.

<p>\$100 million one-time over two years to expand affordable housing development and adaptive reuse opportunities on state excess land sites.</p>	<p>No direct fiscal impact to the County. This fund creates potential grant opportunities for non-profits and for-profit developers.</p>
<p>\$1.95 billion one-time augment to the FY 21-22 Budget to repay the cash flow loan authorized by SB 115, which allows the state to continue to make payments to individuals in the federal Emergency Rental Assistance (ERA) Program.</p>	<p>Additional ERA “reallocation” funds from the Federal government are anticipated, but amount and timing are unknown. The State Cashflow Loan program will allow the County to continue to process and award ERA applications while awaiting future reallocation funds. State Cashflow Loan funds that are not reimbursed by the Federal government will be forgiven by the State.</p> <p>Based on applications received, it is estimated that the County may receive up to \$33 million in FY 22-23.</p>
<p>\$100 million one-time augment over two years for the Veterans Housing and Homeless Prevention Program, which is expected to exhaust the \$600 million provided in the program in the Veterans Housing and Homeless Prevention Bond Act of 2014 in 22-23.</p>	<p>Potential grant opportunity for the Veterans Housing and Homeless Prevention Program, which currently provides long-term loans for the acquisition, construction, rehabilitation, and preservation of affordable multifamily housing for veterans and their families to allow veterans to access and maintain housing stability.</p>
<p><b>Homelessness (Governor’s Enacted Budget Summary Pages 89-90, 114)</b></p>	
<p>\$300 million in FY 22-23 and \$400 million in FY 23-24 to expand the Encampment Resolution Grants program. Of the FY 22-23 funds, \$150 million is prioritized for assisting persons living in encampments located on a state right-of-way.</p>	<p>The County may be eligible to apply for this funding which can provide direct services, clean-up of encampment sites, and other homeless resources and solutions.</p>
<p>\$1 billion in FY 22-23 and \$1 billion in FY 23-24 for the Homeless Housing, Assistance, and Prevention Program (HHAP).</p>	<p>The County has received a total of \$27.4 million in rounds 1 through 3. This funding is anticipated to be round 4 and estimates that the County will receive a funding allocation of approximately \$12.8 million.</p>
<p>\$150 million augment to the FY 21-22 Budget and \$1.3 billion for FY 22-23 for Homekey 2.0.</p>	<p>Potential for grant opportunities to sustain and rapidly expand housing for persons experiencing homelessness or at risk of homelessness.</p>
<p>\$10.6 million annually for three years to continue the Returning Home Well Program to provide transitional housing to individuals who would otherwise be at risk of being unhoused at the time of their release from custody.</p>	<p>Potential for grant opportunities to augment current programs, such as the Housing our Youth pilot program.</p>
<p><b>Immigrant and Refugee Affairs (Governor’s Enacted Budget Summary, Page 75-76)</b></p>	
<p>\$175 million one-time for rapid response efforts to provide additional support for migrant arrivals at the Southern border.</p>	<p>Potential funding for community partners to provide rapid response support to migrants arriving at the Southern border.</p>
<p>\$10 million one-time in FY 22-23 for the California Immigrant Justice Fellowship.</p>	<p>Potential for funding to provide and expand access to counsel for the immigrant population.</p>

<b>LAND USE AND ENVIRONMENT</b>	
<b>Budget Item</b>	<b>County Impact</b>
<b>Budget Act of 2022 (Main Budget Bill Senate Bill 154)</b>	
\$15 million to address water quality problems arising in the rivers that come across the border from Mexico.	<p>The New River and the Tijuana River are the only two rivers that meet the description to qualify for this funding. The County expects to receive funding for its efforts to address contamination in the Tijuana River Valley.</p> <p>Additionally, there is a potential for more funding as budget negotiations continue through the summer.</p> <p>The County supported funding for this item in our budget request letter sent on April 6, 2022.</p>
<b>Budget Act of 2022 (Budget Bill Jr. Assembly Bill 178)</b>	
\$2 million to the Padre Dam Municipal Water District for the East County Advanced Water Purification Program.	<p>The County is a partner in this project with Padre Dam Water District, Helix Water District, and the Cities of El Cajon and San Diego. This funding will help cover increased costs related to raw materials and supply chain challenges for the East County Advanced Water Purification Project.</p> <p>The County supported funding for this item in our budget request letter sent on April 6, 2022.</p>
<b>Public Resources (Public Resources Budget Trailer Bill Assembly Bill 203)</b>	
Budget Trailer Bill AB 203 requires the annual apiary registration fee to be an amount not to exceed \$250 and would apply this fee to brokers. This fee would be paid to the Secretary of the California Department of Food and Agriculture (CDFA). By extending this requirement to brokers, the violation of which would be a crime, this bill creates a state-mandated local program.	<p>This is a potential increase in the registration fee of \$240 per beekeeper. The registration fee would be paid directly to CDFA who would use the funding to reimburse counties through cooperative agreements for the bee-related regulatory work carried out on behalf of the State. This work is separate from the bee-related work based on the County's Code of Regulatory Ordinances Relating to Bees and Apiaries.</p>
<b>California State Library (Governor's Enacted Budget Summary, Pages 43-44)</b>	
\$50 million increase in one-time funding in FY 22-23 and a planned increase of \$100 million in one-time funding in FY 23-24 for an equity-focused matching grant program to support local library maintenance, improve energy efficiency and sustainability, and expand digital and physical access to libraries.	<p>Potential grant opportunity to provide funding for library projects that address energy efficiency and maintenance.</p>
\$5 million increase in ongoing funding and two positions to expand the number of library jurisdictions providing summer meal programs for students in low-income communities.	<p>County Library anticipates receiving approximately \$20K for its summer meals program to ensure school age children receive the nutrition they need to learn and thrive.</p>
\$10.2 million increase in one-time funding to support two additional years of free online job training and educational upskilling programs available through local public libraries.	<p>County Library will have access to the online program and estimates the value at \$20K.</p>
\$13.5 million increase in one-time funding to expand availability of state parks passes offered via local libraries.	<p>County Library will have access to the program.</p>

<p>\$335K increase in ongoing funding to expand public outreach and education to local libraries and patrons in under-served and multi-lingual communities.</p>	<p>Potential grant opportunity for County Library.</p>
<p><b>Zero-Emission Vehicles (ZEV) Acceleration</b> (<i>Governor's Enacted Budget Summary, Page 58</i>)</p>	
<p>\$6.1 billion in one-time funding over five years for ZEV and associated infrastructure, including:</p> <ul style="list-style-type: none"> <li>• \$1.5 billion to advance electric school buses in a coordinated effort between educational, air pollution, and energy agencies</li> <li>• \$600 million to support zero-emission trucks, buses, and off-road equipment</li> <li>• \$76 million for low-income consumer purchases</li> <li>• \$383 million to implement ZEV charging infrastructure programs</li> </ul>	<p>Potential funding could support the County's development of ZEV infrastructure outlined in the Electric Vehicle Roadmap as well as supplement mobility projects pursued through the Climate Action Plan and/or in community plans.</p> <p>Potential impacts to the Department of Agriculture Weights and Measures' workload to facilitate certification of new stations.</p> <p>The County supported funding for this item in our budget request letter sent on April 6, 2022.</p>
<p><b>Drought Resilience and Response</b> (<i>Governor's Enacted Budget Summary, Pages 60-61</i>)</p>	
<p>\$2.8 billion in one-time funding over multiple years to support drought resilience and response, which includes \$1.5 billion that will be allocated in the summer after additional discussions with the Legislature. Current allocations include:</p> <ul style="list-style-type: none"> <li>• \$431.5 million to provide grants to urban water districts and smaller community water suppliers for drought relief projects; support public education campaigns; support local technical assistance and emergency drinking water response, including the purchase and pre-positioning of water storage tanks; and enhance water rights enforcement</li> <li>• \$500 million to advance drinking water and clean water projects that leverage significant federal infrastructure funds, support dam safety, and flood management</li> <li>• \$280 million to support agricultural water conservation practices</li> <li>• \$88.3 million to address fish and wildlife impacts</li> </ul>	<p>Potential grant funding for local projects for emergency drinking water, flood management, and agricultural water conservation.</p>
<p><b>Low Carbon Economy Program</b> (<i>Governor's Enacted Budget Summary, Pages 63, 127</i>)</p>	
<p>\$45 million in one-time funding over three years to restart the California Workforce Development Board's Low Carbon Economy Workforce grant program.</p>	<p>Potential grant opportunities in support of the County's Regional Decarbonization Framework climate workforce initiative.</p>
<p><b>Long Duration Storage</b> (<i>Governor's Enacted Budget Summary, Page 63</i>)</p>	
<p>\$140 million one-time funding to invest in long duration storage projects throughout the state to support grid reliability.</p>	<p>Potential supplemental funding for County projects related to decarbonization, battery storage, or microgrids.</p> <p>The County supported funding for this item in our budget request letter sent on April 6, 2022.</p>

<b>Organic Waste Infrastructure</b> <i>(Governor's Enacted Budget Summary, Page 64)</i>	
\$180 million in one-time funding to advance organic waste infrastructure and support a circular economy.	There is the potential for \$20K-\$650K in grant funding from CalRecycle to aid in implementation of new organics regulations, building organics infrastructure, procurement of recovered organic materials, and procurement of equipment/vehicles to deliver recovered edible food to unincorporated residents.
<b>Transportation</b> <i>(Governor's Enacted Budget Summary, Pages 131-132)</i>	
\$15 billion in transportation infrastructure over the next four years, including: <ul style="list-style-type: none"> <li>\$1 billion for Active Transportation Program projects</li> <li>\$150 million to establish the Reconnecting Communities: Highways to Boulevards Pilot Program</li> <li>\$200 million to identify transportation-related climate vulnerabilities throughout the state and assist in developing and implementing projects to adapt infrastructure given climate change impacts</li> <li>\$100 million in additional funding for the Clean California Program grant program in FY 23-24</li> </ul>	Potentially hundreds of thousands to millions of dollars in grant funding opportunities for infrastructure improvements as well as support for goals of the County's Climate Action Plan.
<b>Cannabis</b> <i>(Governor's Enacted Budget Summary, Page 140)</i>	
\$20.5 million in one-time funding to establish the Cannabis Local Jurisdiction Retail Access Grant Program that will provide funding to cities and counties that do not currently have a local cannabis retailer licensing program.	This is a potential grant opportunity for the County.
<b>California Arts Council</b> <i>(Governor's Enacted Budget Summary, Page 141)</i>	
\$25 million in one-time funding for art installations in state and local parks.	It is anticipated that some of the \$50 million set aside for this program could be available through future grant opportunities.
<b>Lithium Valley Development</b> <i>(Governor's Enacted Budget Summary, Pages 63-64)</i>	
The Governor's Enacted Budget includes a statutory framework for local governments, residents, and disadvantaged communities to benefit from the development and extraction of lithium in the Imperial Valley and will also contribute to the maintenance, operations, and restoration of the Salton Sea.	The proposed incentives for the recovery of lithium would encourage/increase the recycling and take back of lithium batteries, resulting in lower material management costs.

<b>PUBLIC SAFETY</b>	
<b>Budget Item</b>	<b>County Impact</b>
<b>Fire Protection and Protection</b> <i>(Governor's Enacted Budget Summary, Pages 101, 103-106)</i>	
\$100 million in FY 22-23 and \$12.7 million ongoing to purchase and operate four additional Fire Hawk helicopters capable of 24/7 flight operations.	Potential increase in resources to support aerial firefighting activities.
\$670 million over two years for wildfire and forest resilience. Includes \$400 million for forest management, \$265 million for local fuel breaks,	Potential increase in resources to support fire prevention activities.

and \$5 million to expand defensible space inspections.	
\$97.2 million in FY 22-23 and \$84.9 million ongoing, phased in over four years, to improve the health and wellness of CAL FIRE firefighters.	Potential for resources to support firefighters fighting fires year-round and in a changing climate.
\$83.1 million one-time augment to CAL FIRE's current fire protection resources by continuing to staff 16 additional fire crews, expand training center capacity, and fund additional vehicle repair/maintenance costs.	Potential increase in resources to support fire prevention activities during the current drought conditions.
\$37.8 million in FY 22-23 and \$35.6 million ongoing to enhance CAL FIRE staffing, improve operational effectiveness, and provide critical administrative and program support.	Potential increase in resources to support fire prevention activities.
\$348.6 million in FY 22-23 and \$303.2 million ongoing, phased in over four years, for additional fire crews.	Potential increase in resources to support fire prevention activities.
\$11.2 million in FY 22-23 and \$10.9 million ongoing for Cal OES to enhance the fire and rescue mutual aid fire fleet.	Potential increase in resources to support emergency response activities.
\$35.8 million in FY 22-23 and \$2.8 million ongoing for surge capacity dozers and fire engines.	Potential for additional resources to fight fires, especially during peak fire season.
<b>Law Enforcement</b> (Governor's Enacted Budget Summary, Pages 8, 75, 101, 116-118, 120)	
\$5 million one-time to develop a Law Enforcement Wellness Program to support overall officer health.	Potential for grant funding to County departments.
\$10 million for a pilot training program to improve community policing strategies with a focus on peace officer use-of-force and effective de-escalation strategies.	Potential for grant funding to County departments.
\$85 million annually for three years for competitive grants for police departments, county sheriffs, and probation departments to combat organized retail crime.	Potential for grant funding or resources to County departments.
\$10 million annually for three years for competitive grants to local District Attorney offices to create dedicated retail theft prosecution teams handling cases from arraignment to sentencing.	Potential for grant funding or resources for the District Attorney's office.
\$5 million annually for three years for the Internet Crimes Against Children Task Force Program to help state and local law enforcement agencies develop an effective response to technology-facilitated child sexual exploitation and to combat underground child pornography rings.	Potential increase in resources to support investigations, legal prosecution, and data analytics.
\$6 million through the Department of Justice (DOJ) to further investigate and prosecute organized retail crime.	Potential increase in resources to support investigations, legal prosecution, and data analytics.
\$7.9 million in FY 22-23 and \$6.7 million ongoing for a fentanyl enforcement task force at DOJ to	Potential increase in resources to coordinate fentanyl drug interdiction efforts.

combat the manufacturing, distribution, and trafficking of fentanyl.	
\$50 million one-time for grants to improve law enforcement officer health and well-being, build resiliency, decrease stress and trauma, and improve community trust and relations.	Potential for grant opportunities for County departments to pursue.
\$25 million one-time to establish a competitive grant program to support local gun buyback programs.	Potential for grant funding to County departments.
\$7 million ongoing to support an increase in benefit limits for crime scene cleanup costs, funeral/burial costs, and relocation claims.	Potential funding will help offset the benefit limit increases for victims.
\$25 million one-time for grants to assist minors who have been victims of sex trafficking.	Potential for funding to implement innovative placement pilot programs for victims of commercial sexual exploitation.
\$23 million one-time over three years to support existing trauma recovery centers and to establish satellite offices in hard-to-reach and/or rural areas overseen by a trauma recovery center.	Potential increase in resources to provide services to victims.
\$25 million for three years to provide local law enforcement mutual aid during disasters and emergencies.	Potential increase in resources and support during a disaster or emergency.
<b>Probation</b> (Governor's Enacted Budget Summary, Pages 84, 118-119, and Budget Bill Jr. Assembly Bill 178)	
\$100 million to support improvements to county-operated juvenile facilities.	Funding will be a direct allocation to each county based on a formula provided in AB 178. County's allocation is currently unknown.
\$20 million one-time to establish a competitive grant program for counties to create mobile probation centers.	Potential grant opportunity for Probation to pursue.
\$20.9 million one-time for Post Release Community Supervision.	Probation anticipates receiving a portion of these funds.
\$10 million ongoing to support activities, including but not limited to, technical assistance, disseminate best practices, and issue grants to counties and probation departments to improve outcomes for justice involved youth.	Potential grant opportunity for Probation to pursue.
\$123.8 million annually through FY 23-24. The Community Corrections Performance Incentive Grant was created to provide incentives for counties to reduce the number of felony probationers sent to state prison.	The May Revise indicated that this funding would be stabilized and available for three years, through FY 24-25. The Budget scales this back to two years, with the formula to be revisited after FY 23-24.
<b>Courts</b> (Governor's Enacted Budget Summary, Pages 108-109, and Main Budget Bill Senate Bill 154)	
\$151.5 million to continue backfilling anticipated declines in civil fee, criminal fine, and penalty revenue.	The County may receive a portion of these funds.
\$29.7 million for repairs at the San Diego County Superior Court Hall of Justice.	Potential County cost share for this project.
\$15.3 million to address egress issues at the San Diego Superior Court East County Regional Center to address egress deficiencies.	Potential County cost share for this project.

\$49 million for the Public Defense Pilot in each county to fund indigent defense providers in criminal matters.	County allocation will be based on the county's share of the state's total adult population.
<b>Child Support</b> ( <i>Governor's Enacted Budget Summary, Pages 10, 84, and Main Budget Bill Senate Bill 154</i> )	
\$59.1 million additional, ongoing funding for local child support administration.	Child Support Services will anticipate receiving an increase in funding.
Full pass-through for assigned arrears for families formerly assisted by CalWORKS.	Will provide funds directly to families to help improve their financial stability. Counties will receive a backfill for local revenue impacts.
Full pass-through for families currently assisted by CalWORKs effective January 1, 2025 (subject to the revenue evaluation in 2024).	Counties would also receive a backfill for this change.
<b>Emergency Services</b> ( <i>Governor's Enacted Budget Summary, Pages 66, 100-101, and Budget Bill Jr. Assembly Bill 178</i> )	
\$30 million ongoing to establish the Fire Integrated Real-time Intelligence System (FIRIS) program to increase the real-time information and situational awareness available to responders and managers on all hazard events, including wildfires.	Potential for intelligence to assist with the allocation of resources before, during, and after a disaster.
\$5.8 million in FY 22-23 and 5.1 million ongoing to enhance partnerships with local governments to increase disaster resilience capacity.	Potential for funding and resources to enhance the region's emergency response capacity.
\$25 million one-time to provide grants to communities seeking to build or upgrade facilities to serve as community resilience centers that mitigate the impacts of extreme heat and other emergency situations.	Potential for resources to support individuals experiencing emergency situations brought on by climate change.
<b>Felony Incompetent to Stand Trial (IST)</b> ( <i>Governor's Enacted Budget Summary, Page 83, and Health Trailer Bill Senate Bill 184</i> )	
\$535.5 million in FY 22-23, increasing to \$638 million in FY 25-26 and ongoing for solutions focusing on early stabilization, care coordination, expanded diversion, and increasing IST beds in community-based programs by 5,000 over four years. In addition, the Budget includes a growth cap on the number of IST referrals from counties to the Department of State Hospitals (DSH). If a county exceeds their referral cap, which is calculated based on the number of IST determinations made in the previous fiscal year, a penalty will be imposed.	<p>The County participates in a DSH Felony Mental Health Diversion program. Enhancements to the program may allow for additional services and support to the local program.</p> <p>The County opposed the punitive measures against counties to curb referrals for IST treatment in a budget request letter sent on April 6, 2022.</p>

The Enacted Budget includes several funding items that have been deferred for allocation later this summer after additional discussions with the Legislature. Items of interest include:

- \$3.5 billion to accelerate the state's transition to Zero-Emission Vehicles (Pg. 58)
- \$1.5 billion to support drought resilience and response (Pg. 60)
- \$530 million to support wildfire and forest resilience (Pg. 61)
- \$4.2 billion across various climate activities including: \$768 million over two years for nature based solutions; \$300 million over two years for extreme heat; and \$3.1 billion over four years to

support various other investments that support climate and energy activities, including climate-related grants to companies headquartered in California. (Pg. 62)

- \$3.8 billion to support energy reliability, relief, and clean energy investments (Pg. 62)