



State Update: May Revise Budget Update

SCAG LCMC
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2022 Legislative Session

May Revise Budget Proposal – May 13, 2022

Committee Hearings – Now through June

Constitutional Deadline to Pass a Budget – June 15th, 2022



2022 Legislative & Budgetary Priorities

Equitable and Inclusive Economic Recovery

- COVID-19 Recovery
- Housing and homelessness
- Climate resiliency
- Healthcare



Governor's May Revise Proposal

- \$300.7 billion spending plan with \$97.5 billion surplus (\$49.2 billion for discretionary spending)
- Top Priorities:
 - Inflation Relief
 - Combating the Climate Crisis
 - Energy & Grid Reliability
 - Confronting homelessness
 - Transportation



Inflation Relief Package

- Includes \$18.1 billion in direct relief:
 - Temporary reduction in sales tax on diesel
 - \$400 rebate to households based on registered vehicles
 - Covering all family fees for subsidized childcare
 - \$750 million for three months of free public transit
 - \$2.7 billion for rental assistance and utility bill debt



New Infrastructure Proposals

- \$17 billion in additional proposed investments from the January budget proposal including:
 - \$1.1 billion additional funding for the state's middle-mile broadband network
 - \$500 million new interim housing investments
 - \$150 million additional Project Homekey funding
 - \$500 million additional funding for the Active Transportation Program



Housing Investments

- Generally, maintains the Governor's January proposal for investments in housing and homelessness programs:
 - \$2.7 billion in rental assistance
 - \$500 million in additional funding for the Adaptive Reuse Incentive Grants to help remove impediments to adaptive reuse and accelerated residential conversions
 - \$150 million for Project Homekey
 - Maintains \$500 million augmentation for the Infill Infrastructure Grant Program.
 - Maintains the \$300 million augmentation to the Greenhouse Gas Reduction Fund – spread across two years & in addition to continuous appropriation.



Transportation Investments

- Additional \$500 million for active transportation project grants for a total of \$1 billion
 - Transportation Chair Friedman has authored a budget Request letter to support a \$1.5 billion augmentation to the Active Transportation Program at the request of SCAG.



Other Proposals

- \$1.1 billion over two years to the California Department of Technology Broadband Middle-Mile Initiative (in addition to \$3.25 provided in 2021 budget Act)
- \$80 million to expand San Diego State's satellite campus in Brawley/IV to support state's goals for the Lithium Valley



Questions?