



**FY 2021-22 June 28 Budget Framework
June 28, 2021**

TO: CSAC Board of Directors
County Administrative Officers
CSAC Corporate Partners

FROM: Graham Knaus, CSAC Executive Director
Darby Kernan, CSAC Deputy Executive Director, Legislative Services

RE: **June 28 Budget Framework Agreement for 2021-22**

Highlighting the piecemeal process that the state budget adoption has become in recent years, the Legislature today adopted a bill that comprehensively amends the Budget Bill they passed two weeks ago. The amendments, contained in [SB 129](#), are the result of negotiations with Governor Newsom's administration, an important aspect that was largely missing from the first Budget Bill, [SB 128](#).

That said, the measures passed today, both the new budget bill and a few of the multiple budget trailer bills, still do not represent a complete agreement between the Legislature and the Governor. Several large issues remain outstanding:

- The IHSS collective bargaining penalty, which CSAC continues to advocate in opposition to. The latest information indicates the budget agreement includes a seven percent penalty, but language is not yet in print.
- A \$730.7 million water and drought resilience package.
- A \$258 million wildfire prevention and forest resilience package.
- A \$200 million agriculture package.

On other items of significance to counties, the outline of a deal is referred to in one of the Budget Bills, but at least some details are still to be resolved. For instance:

- Broadband – \$6 billion total, but several parts of the appropriation are subject to further legislation.
- Homelessness – \$4 billion is slated for the budget year and nearly as much the following year, but allocations and accountability measures have yet to be decided.
- Criminal fines and fees – \$151 million set aside, but the specific fees have not yet been determined.

Later this week, the Legislature will consider a few more trailer bills, but the process will not end there. CSAC staff expect negotiations on the items above, as well as others, to continue until summer recess, which begins in mid-July, and during the final month of session from mid-August to mid-September. A continuous budget is now the expectation rather than the exception.

If you would like to receive the Budget Action Bulletin electronically, please e-mail Amanda Yang, CSAC Legislative Assistant, at ayang@counties.org.

Homelessness

The Budget includes several key investments related to reducing homelessness in California. While some of the proposals were originally introduced by the Governor, and others added as Legislative augmentations, combined they demonstrate a continued, shared value in prioritizing homeless response efforts. These proposals include:

- Project Homekey – \$1.45 billion (\$1.2 billion federal American Rescue Plan Act – ARPA – funds and \$250 million General Fund) in 2021-22 and \$1.3 billion (\$1 billion federal ARPA funds and \$300 million General Fund) in 2022-23.
- Flexible Local Aid – \$1 billion General Fund in 2021-22 and \$1 billion General Fund in 2022-23, with robust oversight and accountability requirements.
- Family Homelessness challenge Grants and Technical Assistance – \$40 million.
- Encampment Resolution Grants – \$50 million.
- Homelessness landscape assessment – \$5.6 million in funding and placeholder trailer bill language for the Homeless Coordinating and Financing Council (HCFC).
- Project Roomkey – \$150 million one-time General Fund to help transition individuals at Project Roomkey sites to transitional or permanent housing.
- CalWORKs Housing Support Program (HSP) – \$190 million General Fund in 2021-22 and \$190 million General Fund in 2022-23, allowing for use of both appropriations until June 30, 2024. Funds are to be used locally to combat homelessness, including enabling assistance to a family at risk of homelessness prior to the start of an eviction.
- Bringing Families Home (BFH) program – \$92.5 million General Fund in 2021-22 and \$92.5 million General Fund in 2022-23, allowing for use of both appropriations until June 30, 2024. This funding will include a waiver of the county match requirement for the entire three-year period and funding flexibility to serve families at risk of homelessness.
- Housing and Disability Advocacy Program (HDAP) – \$150 million General Fund in 2021-22 and \$150 million General Fund in 2022-23, allowing for use of both appropriations until June 30, 2024. This funding will include a waiver of the county match requirement for the entire three-year period and allowing the use of funds for prevention.
- Adult Protective Services (APS) Home Safe Program – \$92.5 million General Fund in 2021-22 and \$92.5 million General Fund in 2022-23, allowing for use of both appropriations until June 30, 2024. This funding will include a waiver of the county match requirement for the entire three-year period and funding flexibility in homelessness prevention approaches, including the ability to serve APS clients at risk of homelessness.
- Community Care Expansion (CCE) program – \$805 million (\$352.5 million General Fund) in 2021-22 on a one-time basis. Of the total amount, \$55 million General Fund is appropriated in 2021-22 for a capitalized operating subsidies reserve (COSR) program

to benefit Adult Residential Facilities and Residential Care Facilities for the Elderly that serve SSI/SSP recipients, with trailer bill language for these purposes.

Focus will now shift to developing trailer bill language that provides the statutory structure for these important investments. CSAC will communicate additional details as they are available.

Administration of Justice

Local Public Safety

Across multiple state departments, the Budget includes several key proposals and adjustments of county interest.

Pretrial Detention

The Judicial branch budget includes \$140 million General Fund in 2021-22 and \$70 million ongoing to expand pretrial programs statewide. The funding will provide all 58 courts and county supervision agencies with the resources necessary to support judicial officers in making pretrial release decisions that impose the least restrictive conditions while maintaining public safety and assisting individuals in returning to court, and implementing appropriate monitoring practices and the provision of services for released individuals. Additional language implementing this program can be found in budget bill language in [AB/SB 129](#).

Fines and Fees

The budget agreement and [AB/SB 143](#), the courts trailer bill, include the Administration and Judicial Branch's ability-to-pay program that was proposed in January. This includes \$12.3 million General Fund in 2021-22, \$25.1 million in 2022-23, \$47.0 million in 2023-24, and \$58.4 million annually thereafter for the Judicial Branch to support statewide court operations, including processing ability to pay determinations.

The Budget framework also sets aside \$151 million General Fund in 2021-22, \$151 million in 2022-23, \$130 million in 2023-24, and \$120 million in 2024-25 and ongoing to backfill the state and local revenue associated with eliminating additional criminal justice fees. The specific fees have not yet been determined and are subject to further negotiations between the Administration and Legislature. It is expected that an agreement will be part of a package later this summer.

Lastly, AB/SB 143 (courts trailer bill) includes an allocation methodology for the distribution of the \$65 million included in [Chapter 92, Statutes of 2020 \(AB 1869\)](#) which eliminated the ability of state and local agencies to impose certain administrative fees for criminal offenses, such as

fees imposed to recover costs related to providing public defense and probation supervision, commencing July 1, 2021. The allocation includes the following elements:

- 50% allocated based on the three-year average of each county's adult population compared to that of the state from 2017 to 2019;
- 25% allocated based on the three-year average of each county's total felony and misdemeanor arrests compared to that of the state from 2017 to 2019;
- 25% allocated based on the three-year average of each county's total traffic and nontraffic felony and misdemeanor filings compared to that of the state from 2017 to 2019;
- The Board of Supervisors shall have the authority to determine how funds will be spent;
- The Department of Finance shall determine the by-county allocation by October 1, 2021;
- No later than May 1, 2022, each county's Board of Supervisors receiving funds shall submit a report detailing the actual revenue lost from each individual fee repealed by AB 1869 for each of the three most recent years that a county collected this revenue; and,
- Each county shall submit a report that documents how the backfill allocation was spent. This report shall be submitted no later than January 10 of every year beginning in 2023 for funding that was provided pursuant to this section in the prior year.

Division of Juvenile Justice Realignment – Office of Youth and Community Restoration

Consistent with the Governor's May Revision proposal, the budget includes \$7.6 million General Fund in 2021-22 and \$7 million ongoing for the new Office of Youth and Community Restoration (OYCR) under the Health and Human Services Agency. Additionally, the Budget includes \$20 million one-time General Fund in 2021-22 to provide technical assistance, disseminate best practices, and issue grants to counties and probation departments for the purpose of transforming the juvenile justice system to improve outcomes for justice involved youth.

The Budget also includes \$2.35 million ongoing General Fund and adopts trailer bill to expand and enhance the Pine Grove Youth Conservation Camp.

Lastly, the Budget includes \$1.9 million General Fund in 2021-22, and \$1 million 2022-23, to the Department of Justice to convene a working group to submit a plan for the replacement of the Juvenile Court and Probation Statistical System with a modern database, as a part of the realignment of the Division of Juvenile Justice to the counties.

State-level Prison Intake

Due to COVID-19 necessitating the closing and partial reopening of state-level intake from county jails, the state has provided \$121.1 million General Fund in reimbursements to county

sheriffs and correctional agencies to date. It is estimated that another \$98.3 million will be provided by June 30, 2021, and an additional \$97.5 million will be reimbursed in 2021-22.

Proposition 47 Savings Estimate

Proposition 47, passed by the voters in November 2014, requires misdemeanor rather than felony sentencing for certain property and drug crimes, and permitted inmates previously sentenced for these reclassified crimes to petition for resentencing. Each year, state savings from the implementation of Proposition 47 is required to be transferred and re-allocated in grant programs, as specified in the initiative. The Budget estimates total state savings of \$116.2 million for 2020-21.

Post Release Community Supervision

The budget includes \$23.6 million one-time General Fund for county probation departments to supervise the temporary increase in the average daily population of individuals on Post Release Community Supervision (PRCS) as a result of the implementation of Proposition 57 (including the recent changes to good conduct credit earning).

California Violence Intervention and Prevention (CalVIP) Grant Program

The budget includes \$200 million one-time General Fund across the next three fiscal years for the Board of State and Community Corrections to expand the California Violence Intervention and Prevention (CalVIP) program. CalVIP provides competitive grants to cities and community-based organizations to support services such as community education, diversion programs, outreach to at-risk transitional age youth, and violence reduction models.

Public Defender Pilot

The budget provides \$50 million in each of the next three budget years, beginning in 2021-22, for a total of \$150 million for public defender offices, alternate defender offices, and other indigent defense offices statewide for workload associated with Penal Code 1170(d)(1), Penal Code 1473.7, Penal Code 3051, and Penal Code 1170.95.

Resentencing Pilot

The budget includes \$18 million for a prosecutor-initiated county resentencing pilot. The public safety trailer bill ([AB/SB 145](#)) also includes provisions outlining this program. The County Resentencing Pilot Program supports a collaborative approach to a district attorney's exercising of their discretion to petition to recall an individual's case for resentencing. The bill designates a county's district attorney's office and public defender's office as pilot participants.

Gun Violence Reduction Program

Under the Department of Justice, the Budget includes \$10.3 million General Fund to fund local law enforcement agencies to reduce the number of individuals who are in illegal possession of firearms identified by the Armed Prohibited Persons Database.

California Department of Corrections and Rehabilitation (CDCR)

Capacity and Population

The Budget continues plans to close the Deuel Vocational Institution in Tracy by September 2021 and includes supplemental reporting language for a long-term prison infrastructure plan to limit unnecessary General Fund expenditures.

Judicial Branch

The budget includes several investments in the Judicial Branch to improve access to justice:

- \$40 million General Fund in 2021-22, \$30 million in 2022-23 and ongoing to address pandemic-related expenses, the temporary increase in dependency counsel caseloads due to the COVID-19 pandemic, and to correct for any shortfall in federal funding.
- \$16.5 million General Fund in each of 2021-22 and 2022-23 to the County Law Libraries to backfill lost revenue.
- \$50 million General Fund in 2021-22 and \$20 million in 2022-23 and ongoing for legal aid services through the Equal Access Fund.
- \$200,000 one-time General Fund in 2021-22 to the Los Angeles Court Appointed Special Advocacy Program to support youth in the child welfare system.

The budget also includes \$53.5 million ongoing General Fund to support maintenance, utility, and lease costs for trial court and the Courts of Appeal facilities and \$188 million General Fund to support deferred maintenance.

Lastly, the budget includes \$80 million over three years to fund legal aid services for renters and homeowners to avoid eviction and foreclosure and \$60 million one-time General Fund to address civil and criminal backlog of cases resulting from the COVID-19 pandemic.

Victims of Crime Act Supplemental Funding

The Budget includes \$100 million one-time General Fund for the California Office of Emergency Services to supplement federal funding supporting a variety of services for domestic violence victims.

Community Corrections Performance Incentive Grant program (SB 678)

The Budget includes \$122.9 million to county probation departments for the Community Corrections Performance Incentive Grant program (SB 678). This allocation is based on the highest payment to the individual counties over the prior three fiscal years and would be in lieu of the current statutory formula. The public safety trailer bill also includes language indicating this formula will be revisited next year.

Community Corrections Partnership Planning Grants

The Budget continues the \$8 million General Fund investment provided to counties for Community Corrections Partnership planning and convening.

Agriculture, Environment and Natural Resources

The June 28 budget includes significant investments to prepare for, and protect, communities against our changing climate and disasters. The budget significantly increases General Fund expenditures, focusing on emergency preparedness, drought and wildfire response, and economic recovery. However, at this time, several major resource investment packages are still being negotiated, including implementing legislation and trailer bills as outlined below.

Climate Investment Packages

Several key climate investment packages are still under negotiation in addition to the June 28 framework budget. These include:

- Wildfire Prevention & Resilience: \$258 million General Fund and other funds, plus an additional \$500 million in 2022-2023.
- Agriculture Budget Plan: \$200 million General Fund and other funds.
- Circular Economy (recycling and organic waste): \$65 million General Fund.
- Water and Drought Resilience: \$730 million General Fund.
- Climate Resilience: \$440 million in 2021-22.
- Cap-and-Trade Spending Plan: \$720 million.

Drought, Water Supply Reliability and Flood

The budget allocates \$3 billion in direct drought and water resilience investments. While part of the drought package still under negotiation, the budget includes several key drought and flood investments:

- \$663 million General Fund one-time to the Department of Water Resources (DWR) for local assistance related to drought relief, such as small community drought relief (\$200 million), urban community drought relief (\$100 million), multi benefit projects (\$200 million), and Sustainable Groundwater Management Act implementation (\$60 million), water conveyance (\$100 million), and \$3 million emergency drought support.
- \$101 million General Fund one-time to DWR for immediate drought support.
- \$237 million General Fund for deferred maintenance at water facilities.
- \$104 million in bond funds for local assistance to support delta levees, \$9.5 million in Proposition 1 funds for flood emergency preparedness, response, & recovery, and \$28.5 million from Prop 68 for floodplain management, protection and risk awareness.
- \$65 million General Fund through the Wildlife Conservation Board for local assistance for drought purposes.

- Defers drought funding details, including implementation legislation (trailer bill language) to future discussions on the drought package.

Community Resilience and Wildfire

The budget tackles community resilience and hardening in several different ways. As outlined below, counties will be able to access grant funding through the Hazard Mitigation Grant Program and community resilience centers and fairground budget allocations. Still to be determined are additional funding pots and implementing legislation that are still under negotiation.

Hazard Mitigation Grant Program

The budget includes \$100 million to support the local share of the Hazard Mitigation Grant program for disadvantaged communities. The funding is part of a plan to develop and implement a new initiative, “Prepare California,” modeled after the Federal Emergency Management Agency program. The new program is designed to build disaster-resistant communities through state, local, federal, and private sector and nongovernmental organization partnerships. This proposal includes paying up to 100% of the local government’s cost share for participating in the federal hazard mitigation program.

Community Resilience Centers and Fairgrounds

The budget includes \$150 million one-time General Fund through California Department of Food and Agriculture (CDFA) to support the development and enhancement of community resilience centers. Funding may be used to support infrastructure for emergency evacuation, shelter, base camps during emergency events, and critical deferred maintenance. Elements for this infrastructure may include cooling and heating centers, clean air centers, and extended emergency evacuation response centers with community kitchens, shower facilities, broadband, back-up power and other community needs due to wildfires, floods, and other emergencies or climate events.

Coastal Resilience and Sea Level Rise

The budget provides \$30 million one-time for a sea level rise local assistance grant program to be allocated over the next five years.

Long-Term Recovery Support

The budget provides \$79 million (General Fund) and \$22 million in Federal Funds for long-term recovery support and strengthening California’s emergency capacity and capabilities. Funding is also directed support California’s recovery efforts and recoupment of eligible federal disaster cost reimbursements for state and local governments, and to maximize the hazard mitigation program to mitigate the impacts of future disasters on the state and local jurisdictions.

California Disaster Assistance Act (CDAA)

The budget authorizes \$100 million one-time General Fund to increase the amount of funding available through the CDAA, which is used to repair, restore, or replace public real property damaged or destroyed by a disaster or to reimburse local governments for eligible costs associated with emergency activities undertaken in response to a state of emergency proclaimed by the Governor. This augmentation increases total CDAA funding available in 2021-22 to \$162 million.

LISTOS Grant Program

The budget makes permanent a LISTOs grant program to further strengthen connections and build resiliency with all communities. The program would include an on-going \$25 million General Fund grant program and will expand its focus from emergency preparedness to also include emergency response and recovery.

Wildfire

For the Wildfire Prevention and Resilience Package, the budget appropriates \$258 million General Fund and \$75 million Greenhouse Gas Reduction Fund (GGRF) in one-time dollars for 2021-22, as well as \$500 million General Fund for 2022-23. The remaining \$125 million GGRF for 2021-22 is for the purposes of [SB 901 \(Dodd\), Chapter 626, Statutes of 2018](#), and will be part of the Cap-and-Trade Spending Plan, which is to be finalized later this summer. Details of the wildfire prevention package are to be finalized in further negotiations between the Legislature and Governor.

The budget includes \$141 million General Fund, to be phased in over 5 years, to support an additional 30 hand crews for vegetation management, hazardous fuel reduction projects, and wildland suppression. The funding includes 15 CalFIRE crews, eight year-round California Conservation Corps (CCC) crews, and six seasonal crews. In addition, the budget allocates \$5 million (GGRF) to the CCC for fire prevention projects.

Wildfire Forecast and Threat Intelligence Integration Center

The budget implements the Wildfire Forecast and Threat Intelligence Integration Center which is intended to provide real time intelligence and data regarding wildfire threats to government agencies, develop intelligence products for wildfire risk mitigation efforts, and serve as a central organizing hub for wildfire forecasting, intelligence gathering, and analysis. This includes 22 positions, \$7 million General Fund, and \$191,000 Public Utilities Commission Utilities Reimbursement Account (PUCURA) in 2021-22 and \$4.2 million General Fund, \$191,000 PUCURA ongoing, to support implementation and strategy development.

Agriculture

The budget builds in strategic investments to support California's agriculture industry as it faces continued challenges while still producing a huge portion of our nation's food supply. However,

as with other budget issues, details are still being negotiated on key components. Significant programs include:

- \$50 million General Fund one-time for Healthy Soils.
- \$60 million General Fund, on a one-time basis, to provide fairground operational support and address fair deferred maintenance needs with language to ensure all fairgrounds may seek funding.
- \$200 million General Fund and other funds to be determined as negotiations continue.

Natural Resources

The budget includes funding for local parks, outdoor education and youth access programs, as well as direct funding for specific civic and cultural institutions throughout the state.

Outdoor Education

The budget includes \$40 million for outdoor environmental education and access programming through the Outdoor Equity Grants Program and expansion of existing K-12 programs. These programs will support outdoor environmental education for underserved youth statewide, development of new curriculum, and construction of new state parks' facilities that support environmental education programs.

Local Park Development and Community Revitalization Program

The budget provides \$155 million one-time General Fund for the Statewide Parks Program to invest in establishing and revitalizing local community open spaces. These grants fund new parks, the beautification of existing parks, and recreation opportunities in underserved communities across the state. This is in addition to direct funding for individual local park capital outlay grants.

New Parks Pass Library Pilot Program and 4th Grade Program

The budget includes \$3 million (General Fund, one-time) in collaboration with the California State Library for a three-year pilot program to provide state park passes to libraries for check-out. The budget also provides \$5.6 million General Fund one-time to Parks for the California State Park Adventures Pilot Program to provide free State Parks access to 4th graders and approves companion trailer bill language.

Biodiversity, Restoration and Wildlife Programs

The budget includes \$143.6 million General Fund one-time for the Biodiversity Conservation Program, management of DFW lands and facilities, and enforcement. The budget also includes \$5 million (Environmental License Plate Fund) to develop a wolf-conflict compensation pilot program and feasibility study. An additional \$3.8 million (General Fund) is allocated for the

Cutting the Green Tape initiative, designed to reduce regulatory hurdles for environmental restoration projects.

Recycling, Toxics and Waste Management

As counties face mounting waste management costs, counties have advocated for several funding opportunities to support critical state and local programs, including infrastructure for waste management. Notably, no direct local government support for the development of organic waste programs is included in the June 28 budget. Discussions regarding the organic program are ongoing in both the budget and legislative arenas.

Organic Waste and Recycling Infrastructure

The budget defers action on \$65 million for the Circular Economy Package (reduced from \$130 million in May Revision). This funding was proposed for development of organic waste infrastructure.

Approves the establishment of the Board of Environmental Safety within the Department of Toxic Substances Control with trailer bill language to revise the Environmental Fee rates and the hazardous waste fee rates and structure. Retains local exemptions for certain key programs including used oil recycling.

Cannabis

The Governor's Budget includes the consolidation of the functions and positions of the Bureau of Cannabis Control, the Department of Food and Agriculture, and the Department of Public Health into a new stand-alone Department of Cannabis Control within the Business, Consumer Services, and Housing Agency beginning July 1, 2021. This consolidation seeks to simplify participation in the legal market and support the successful and safe operation of cannabis businesses in compliance with state law. Trailer bill language to implement these provisions is still under negotiation. The budget includes, in addition to administrative positions and shifted workforce:

Provisional Licenses

The budget includes \$100 million for a Local Jurisdiction Grant Program to help local governments with the highest number of provisional licenses assist licensees in transitioning to full annual licenses.

Cannabis Local Jurisdiction Assistance Grant Program

The budget includes \$30 million one-time General Fund to help local governments reduce barriers of entry in to the legal cannabis market. To do this in a way that supports the environmental compliance requirements the budget includes provisions to:

- Aid local governments in processing substantial workloads associated with transitioning businesses to a regulated market.

- Incentivize local governments to modify their permitting methods to better align with the state’s effort to remove barriers to licensure.
- Support provisional license holders by allowing local governments to pass through funding to applicants for purposes of assessing and mitigating environmental impacts.
- Provide more financial assistance to licensed cultivators and localities that license them, as both often experience enhanced environmental compliance and resource challenges when transitioning operations to annual licensure.
- Provide enhanced support to eligible jurisdictions that are implementing social equity programs.

Updated Allocation of the Cannabis Tax Fund

Proposition 64 specified the allocation of resources in the Cannabis Tax Fund, which are continuously appropriated. Pursuant to Proposition 64, expenditures are prioritized for regulatory and administrative workload necessary to implement, administer, and enforce the Cannabis Act, followed by research and activities related to the legalization of cannabis and the past effects of its criminalization. Once these priorities have been met, the remaining funds are allocated to youth education, prevention, early intervention, and treatment; environmental protection; and public safety-related activities. The budget estimates \$629.1 million will be available for these purposes in 2021-22, and the structure of these allocations is *unchanged from 2020-21*:

- Education, prevention, and treatment of youth substance use disorders and school retention—60% (\$377.5 million)
- Clean-up, remediation, and enforcement of environmental impacts created by illegal cannabis cultivation—20% (\$125.8 million)
- Public safety-related activities—20% (\$125.8 million)

Government Finance and Administration

Broadband Plan Approved

In a significant victory for CSAC, the budget includes a \$6 billion plan for broadband infrastructure and improved access to broadband over a multi-year period. The plan includes \$3.75 billion for a statewide open-access middle-mile network, \$250 million for a loan-loss reserve to leverage additional investment, and \$2 billion for last-mile projects.

Of the \$6 billion, \$4.3 billion comes from the American Rescue Plan Act and \$1.7 billion is General Fund. The entire middle-mile appropriation is in the budget year, while the other pieces seem to be contingent on further legislation, the details of which will continue to be negotiated between the Legislature and the Governor.



CSAC has fought hard for this plan, first proposing an \$8 billion broadband package to the Governor and Legislature early in the year and building a coalition of dozens of organizations that includes organizations advocating for counties, schools, hospitals, economic prosperity, labor, civil rights, and nonprofits, among others.

In addition to this infrastructure package, the budget also provides \$6 million for public libraries for the Broadband Connectivity initiative, as well as \$35 million, available until June 30, 2025, for local projects to expand broadband access for isolated and under-served communities through a collaborative partnership of local education agencies, regional and local libraries, and telehealth providers.

Gann Limit

The trailer bill dealing with general government issues, [AB/SB 137](#), includes a provision that would, in effect, include the proceeds of 1991 and 2011 realignments in each county or city's Gann limit, instead of the state's limit, beginning with the 2020-21 fiscal year. Specifically, the change affects revenue from the Local Revenue Fund and the Local Revenue Fund 2011.

However, if doing so would exceed a county or city's limit for any fiscal year, that jurisdiction would be authorized to increase its own limit by the amount necessary and the state would be required to reduce its limit by that same amount, leaving the combined overall limit the same.

Schools and the state already have a partially fungible appropriations limit that this change somewhat mirrors. The bill also includes a finding and declaration that the change does not alter or affect the legal character or status of any of the money.

Recall Election

[AB/SB 152](#) would allow counties to run the upcoming recall election similar to the November 2020 election. In particular, counties would be authorized to mail ballot to all active registered voters and provide one vote center for every 30,000 registered voters. The vote centers would need to be available on Election Day and for the three days before. Half of those vote centers would need to be provided beginning ten days before the election.

The Budget Bill passed earlier this month, [AB 128](#), appropriated \$215 million for the conduct of the recall election.

Library Infrastructure Grants

The Budget Bill Jr, [AB/SB 129](#), also makes a minor change to the \$439 million in for local library infrastructure grants that was included in AB 128. The grants, which would support local library maintenance, capital projects, broadband and technology upgrades, and purchasing of devices, would be prioritized to libraries located in high-poverty areas of the state. AB 129 would increase the maximum grant size to \$10 million from \$2 million.

Wildfire Property Tax Backfill

The budget framework approves the May Revision proposal of \$11 million to backfill property tax losses related to wildfires. The state traditionally provides these funds for the fiscal year a wildfire fire occurs and the following fiscal year, by which time it is presumed properties will be rebuilt and their tax assessments re-raised. With larger, more destructive fires, many properties are not rebuilt by that time, but the policy has not been revisited.

Assessment Appeals Board Deadline Extension

The framework includes an extension of the deadline for county assessment appeals board to decide cases. Without the extension, a number of counties would be forced to automatically grant downward assessments to property owners simply because the pandemic interrupted in-person hearings, reducing property tax revenues for counties, cities, and special districts.

Excess ERAF and Insufficient ERAF

Of great importance to counties in a position of excess Educational Revenue Augmentation Funds (ERAF), the budget framework accepts the relatively county-friendly guidance from the State Controller's Office on how to calculate excess ERAF. This results in approximately \$300 million more in property tax dollars per year going to counties, cities, and special districts in affected counties as compared to January estimates, although this is still less than before the changes made by last year's state budget.

The framework includes \$10.1 million (General Fund) to reimburse San Mateo County for Vehicle License Fee backfill insufficiencies in 2019-20 driven by insufficient ERAF revenues.

Health and Human Services

Health and Human Services Suspensions Eliminated

The budget agreement eliminates the program suspensions for several Health and Human Services (HHS) programs that were in current law. These include the restoration of the seven percent cut in In-Home Supportive Services (IHSS) services hours, Proposition 56 supplemental payment increases, developmental services payment increases, the Family Urgent Response System (FURS), and the Aging and Disability Resource Connections and Senior Nutrition programs.

HEALTH

Local Public Health Funding Compromise

The push and pull between the Legislature and Governor on the California Can't Wait Coalition's request for \$200 million in ongoing state funding for local public health jurisdictions has resulted in an out-year compromise: A commitment to provide up to \$300 million annually starting in 2022-23.

The out-year funding commitment is included in [AB/SB 129](#), otherwise known as the Budget Bill Jr., which also includes \$3 million for a public health workforce study in 2021-22. Also included for 2021-22 is \$13 million to support investments to end the epidemics of HIV/AIDS, Hepatitis C, and sexually transmitted infections until June 30, 2025.

CSAC is participating in a state Future of Public Health working group, which will inform the state's plan for providing up to \$300 million in support for local public health infrastructure.

Public Hospital Funding Retained

The budget framework appropriates \$300 million in one-time assistance to shore up safety net hospitals, including county public hospitals, in the aftermath of the state's three COVID-19 surges.

Behavioral Health

Behavioral Health Continuum Infrastructure Program

The budget framework includes \$443,499,000 for the Governor's Behavioral Health Continuum Infrastructure Program until June 30, 2026. Of that amount, \$150 million is earmarked to support mobile crisis infrastructure, \$100 million for justice-involved initiatives through 2024, \$30 million for a Population Health Management service only if legislation is enacted that clarifies its implementation, and \$4.6 million for interoperability or data exchange purposes. Many details remain unclear and more implementation negotiation, and perhaps even a stand-alone trailer bill, is expected.

Children and Youth Behavioral Health Initiative

The Governor's Children and Youth Behavioral Health Initiative is funded in the June 28 budget, with \$27.5 million for county-school behavioral health partnerships and \$5.5 million for qualifying Medi-Cal managed care plans to implement school interventions. Millions more is earmarked for other youth behavioral health efforts for Californians aged 0 to 25. As with the infrastructure funding above, more details are needed and may be included in additional legislation.

Behavioral Health Quality Improvement Program

The budget deal retains \$21.75 million for county behavioral health departments to implement CalAIM components while ensuring quality behavioral health care.

Mental Health Services Act Flexibility

As part of the budget deal, [AB/SB 134](#) extends the deadline for a county to submit its three-year Mental Health Services Act (MHSA) plan for one more year, to July 1, 2022. The bill also authorizes a transfer of \$187 million from the Federal Trust Fund to DHCS to “support community mental health services.” CSAC is working to determine exactly the purpose of this funding. AB/SB 134 is a majority vote bill because it does not alter the main intent of the MHSA as approved by the voters.

Department of State Hospitals

Counties engaged in nearly two months of negotiations with the state in search of viable solutions to reducing the 1,600-person wait list for individuals who have committed a felony and been found to be Incompetent to Stand Trial (IST) to be admitted from county jails into treatment at a state hospital. AB/SB 129 dedicates \$255 million (and up to \$75 million more upon approval) to allow the Department of State Hospitals (DSH) to contract for additional capacity in the community.

The Governor had proposed in his May Revision Budget to halt admissions of county Laneterman-Petris-Short (LPS) conservatees at state hospitals to clear beds for felony IST individuals on the wait list. Counties vociferously opposed this plan, as it would have sent ill LPS conservatees back to counties with no assistance in creating local placements for these complex cases. Fortunately, the Legislature agreed and the budget deal announced to date does not include a halt to LPS admissions.

The health trailer bill, AB/SB 133, authorizes DSH to begin charging counties for IST individuals who are either restored or declared unrestorable if the county does not take a person back into custody 10 days after the notification.

CSAC expects additional trailer bill language, likely in another bill this summer, to create a more formal state-led IST working group of all stakeholders. This working group would develop recommendations to solve the waitlist issue, but, if it cannot be successful, DSH would be authorized to discontinue LPS admissions. CSAC and county affiliates will be key members of the proposed working group, but the timelines and details of this framework remain in flux and are not included in the budget bills before the Legislature today.

The Budget also includes \$12.7 million to partner with local county jails to re-evaluate individuals deemed Incompetent to Stand Trial on a felony charge who have waited in jail 60 days or more pending placement to a state hospital treatment program.

ACTION

Jail In-Reach Services

The Health Trailer Bill (AB/SB 133) includes a mandate for county boards of supervisors, in consultation with the county sheriff, to designate an entity or entities to assist both county jail inmates and juvenile inmates with Medi-Cal eligibility before release by January 1, 2023. Additionally, the Department of Health Care Services will develop and implement a mandatory process for county jails and county juvenile facilities to coordinate with Medi-Cal managed care plans and Medi-Cal behavioral health delivery systems to facilitate continued health and behavioral health treatment in the community for inmates. Certain information sharing between jails, county eligibility workers, and managed care plans is also authorized, but needs to be fleshed out, and this second mandate can't be implemented sooner than January 1, 2023.

AB/SB 133 also allows inmates to qualify for targeted Medi-Cal services up to 90 days pre-release. The state also intends to explore how to automate inmate eligibility functions to reduce workload for county eligibility agencies. Federal funding is available for these purposes, but many details still need to be worked out.

Home and Community Based Services

The budget appropriates \$1.5 billion from the American Rescue Plan to implement a Home and Community Based Services (HCBS) spending plan. The California Health and Human Services Agency and the Director of the Department of Finance will develop a HCBS spending plan to allow the state to capture enhanced federal funding for a variety of to-be-determined services. This compromise comes on the heels of the state's request to the federal government for more time to develop an HCBS plan and will likely include legislative review.

Office of Suicide Prevention

AB/SB 129 includes \$2.78 million in SGF for the new Office of Suicide Prevention, and AB/SB 133 eliminates the statutory requirement for the office to use only existing staff and funding.

Medi-Cal

The Health Trailer Bill, AB/SB 133, includes several additions and restorations of Medi-Cal benefits, including:

- Expanding Medi-Cal benefits to all undocumented adults aged 50 and above;
- Extending full-scope Medi-Cal benefits to pregnant people from 60 days postpartum to 12 months postpartum;
- Restoring coverage for so-called optional benefits, including audiology, optometric services, podiatric services, and incontinence creams and washes; and,
- Restoring pharmacy coverage for cough and cold medicines, and acetaminophen-containing drugs

AB/SB 133 also authorizes the Department of Health Care Services (DHCS) to seek federal approval for the continuation of telehealth options for Medi-Cal enrollees.

HUMAN SERVICES

At the time of this writing, the Human Services trailer bill is not yet in print. There are several issues included below where details still need to be worked out and agreed to, and the trailer bill will have further clarity on these provisions.

In-Home Supportive Services (IHSS)

IHSS Collective Bargaining Tools

The Human Services trailer bill should contain the CSAC-sponsored proposal that was included in both the May Revision and the legislative budget package to provide continuity for IHSS collective bargaining funding mechanisms. This proposal will maintain the existing sharing ratio of 35% county/65% state for local wage increases up to the cap instead of that sharing ratio flipping on January 1, 2022. In addition, it will maintain the ten percent over three years tool that allows counties to secure state participation above the cap. These provisions will help sustain the significant progress on IHSS collective bargaining that has been achieved in recent years.

The final language is anticipated to clarify the intent of the proposal related to the number of uses of the ten percent over three years tool. CSAC had initial concerns with the Administration's proposal as it appeared that counties would be limited to two uses of this tool and some counties are already on their second use. However, the Administration clarified that their intent was for all counties to be able to use the tool two times for three-year periods that begin on or after January 1, 2022, no matter how many times a county has utilized the tool prior to that date. CSAC has been working with the Administration and Legislature on final language to ensure that intent is reflected in the trailer bill.

Collective Bargaining Fiscal Penalty

CSAC continues to advocate in opposition to the UDW-sponsored proposal to enact a ten percent fiscal penalty on counties that fail to reach a collective bargaining agreement. There are indications about the budget agreement including a seven percent penalty on counties that fail to reach agreement, but no language has been made available. CSAC will continue to engage further with the Administration, Legislature, and provider unions on this issue.

IHSS Hours Restoration

The budget agreement will eliminate the suspension for the seven percent reduction in IHSS service hours that could have potentially gone into effect as one of the HHS program suspensions.

IHSS Career Pathways

The budget agreement includes a one-time, \$200 million investment for supporting and incentivizing career pathways for IHSS providers. This funding would be appropriated contingent upon legislation being adopted that clarifies the program objectives, implementation design and timelines, data collection, and measurement of outcomes for the program. CSAC has engaged on this proposal in partnership with the California Association of Public Authorities (CAPA) and the County Welfare Directors Association (CWDA) to advocate that counties and public authorities be part of any stakeholder groups that are formed and that multiple approaches for various training models and tools are utilized including training provided by counties and public authorities.

Aging Programs

The budget agreement includes several investments for aging programs that are aligned with the implementation of the Master Plan for Aging. These include:

- \$35 million ongoing for the Senior Nutrition Program,
- \$40 million for capacity and infrastructure for the Senior Nutrition Program,
- \$50 million one-time for a grant program for counties to provide access to technology for older adults,
- \$3.3 million ongoing baseline funding increase for the Area Agencies on Aging, and
- \$2 million ongoing to continue CalFresh Expansion outreach efforts for older adults.

Social Services Homelessness Programs

The budget agreement contains significant investments in several social services homelessness programs including Home Safe, Bringing Families Home, CalWORKs Housing Support Program, Housing and Disability Advocacy Program, and the Community Care Expansion program. Please see the Homelessness section of the BAB for full funding details.

Child Welfare and Foster Care

Continuum of Care Reform

The Continuum of Care Reform (CCR) enacted significant changes in the child welfare program that are intended to reduce the use of group homes, increase the availability of trauma-informed services and improve outcomes for foster youth. Current law requires a CCR true-up and a methodology has been developed to determine the appropriate amount of funding owed to counties for increased workload for CCR implementation. The budget agreement includes \$85 million in 2021-22 for CCR true-up costs for the Resource Family Approval (RFA) process. In partnership with CWDA, CSAC has been advocating for these RFA true-up costs for several years.

Family First Prevention Services Act (FFPSA)

California continues to move forward with implementation of the federal FFPSA. The May Revision included an investment of \$122.4 million over three years for new prevention services. The budget agreement includes the May Revision amount and an additional \$100 million in 2022-23. This funding would help counties establish local services and supports to prevent children and youth from entering foster care. CSAC supported the CWDA and Children Now budget ask for additional funding for FFPSA prevention services above the May Revision.

Out of State Youth Returning to California

In December, the Department of Social Services announced that it was decertifying all out-of-state group homes and requiring counties to find a California placement for these youth. The May Revision included \$39.2 million to further support these youth as well as other foster youth with complex needs. The budget agreement approves the May Revision amount and provides an additional \$100 million in 2022-23 for services for complex care needs foster youth, including those youth who recently returned from out-of-state. CSAC supported the budget ask for additional resources above the May Revision amount.

CalFresh and Nutrition Assistance

The budget agreement includes several investments for CalFresh and other nutrition assistance efforts. These include:

- \$7 million ongoing for county administration for CalFresh changes adopted in the 2020 budget,
- \$8.2 million one-time for county administration for CalFresh expansion to students in higher education,
- \$80 million one-time for food bank operations,
- \$150 million one-time for capacity and infrastructure grants for food banks, and
- Expansion of the California Food Assistance Program (CFAP) to serve individuals not eligible for CalFresh or the current CFAP.

CalWORKs

The budget agreement includes several investments for CalWORKs. These include:

- Providing a 5.3% increase to the Maximum Aid Payment levels;
- Funding to incrementally increase CalWORKs intensive case management services;
- Raising the applicant earned income disregard;
- Restoring a May Revision cut to the CalWORKs eligibility funding in the Single Allocation; and,
- Funding for the Family Reunification CalWORKs Assistance Payment to allow services to continue to be provided for up to 180 days when a child is removed from the home and receiving out-of-home care.

Child Support

The budget agreement approves the Governor’s proposals to restore funding for Local Child Support Agencies (LCSA), which CSAC has supported in partnership with the Child Support Directors Association. This action would restore funding to the level it was at prior to the cut in 2020-21 and consistent with the new budgeting methodology.

Supplemental Security Income (SSI)/State Supplementary Payment (SSP)

The budget agreement provides funding to restore 50% of the remaining 2009 SSI/SSP grant cut and anticipates the remainder of the cut will be restored in 2023-24.

Early Learning and Child Care Programs

The budget agreement includes several investments for early learning and child care programs. These include:

- Increasing the number of subsidized child care slots by 200,000 over the next four years,
- Passing child care rate reform with details still to be finalized, and
- \$250 million one-time for investments in child care facilities.

Housing, Land Use, and Transportation

Housing

The budget framework includes the following significant one-time investments in affordable housing and homeownership programs:

- \$1.75 billion from the Coronavirus Fiscal Recovery Fund (CFRF) to fund the backlog of affordable housing projects seeking state and federal tax credits.
- \$600 million (\$500 million in CFRF funds and \$100 million in General Fund) for planning and implementation grants to help local governments meet Sustainable Communities Strategies greenhouse gas emissions reduction goals through the development of location efficient housing (trailer bill language for this program is not yet available).
- \$500 million in General Fund for a Foreclosure Intervention Housing Preservation Program.
- \$300 million from the Coronavirus Fiscal Recovery Fund for affordable housing preservation.
- \$284.1 million in Proposition 1 (2018) bond funds for infill infrastructure grants to support affordable housing development.
- \$250 million General Fund for infill infrastructure grants, including a \$90 million set-aside for projects in small jurisdictions with a flexible definition of infill and an over-the-counter application process.
- \$100 million in General Fund for the California Housing Finance Agency’s (CalHFA) homebuyer assistant program.

- \$81 million from CFRF for CalHFA’s accessory dwelling unit financing program.
- \$80 million in General Fund for farmworker housing, including \$50 million for grants from the Joe Serna Jr. Farmworker Housing Program and \$30 million for the Office of Migrant Services for deferred maintenance projects.
- \$50 million in General Fund for the Golden State Acquisition Fund financing program to support the creation and preservation of affordable housing.
- \$45 million in General Fund for CalHFA’s low- and moderate-income housing program.

The framework also includes \$4.3 million in General Fund in 2021-22 and \$3.8 million in 2022-23 to create a Housing Accountability Unit within the Department of Housing and Community Development. This unit will provide technical assistance and oversight of local government compliance with state housing laws.

Rental Assistance and Eviction Protections

The June 28 budget includes the state share of an additional \$2.6 billion in federal funds available for emergency rental assistance to California tenants and landlords affected by the COVID-19 pandemic. [AB 832 \(Chiu\)](#) extends and modifies the framework of tenant protections and rental assistance funding created by [SB 91 \(Committee on Budget and Fiscal Review, 2021\)](#). AB 832 was approved by both houses of the Legislature with two-thirds votes and will take immediate effect upon the Governor’s signature as an urgency measure.

Key changes related to tenant protections in AB 832 include:

- Expanding funding eligibility for 100% of rental arrears and future rent for both landlord and tenants, for up to 18 months of total aid.
- Allowing tenants to apply on their own if their landlord does not apply.
- Extending eviction protections for non-payment of rent related to the impacts of the COVID-19 pandemic from June 30, 2021 to September 30, 2021, provided that the tenant has paid 25% of the rent due.
- From October 1, 2021 to March 30, 2022 evictions for rental debt accumulated due to COVID-19 cannot proceed unless the landlord has applied for and been denied rental assistance funding to cover the rental debt.

Key changes related to locally-enacted COVID-19 tenant protections and the administration of emergency rental assistance in AB 832 include:

- State preemption of any local eviction protection measure is extended until March 31, 2022.
- Local governments that have completed rental assistance payments pursuant to SB 91 must provide additional assistance from AB 832 to previous recipients so that total assistance is equivalent to 100% of an eligible household’s rental arrears or prospective rent to the period originally requested.

- Local governments that received SB 91 block grant funding must obligate 65% of that funding no later than August 1, 2021, after which unobligated funds shall be available for reallocation to other parts of the state based on unmet need, rate of applications, rate of attrition and rate of expenditures.
- By September 15, 2021, each local government rental assistance program must develop mechanisms, including but not limited to telephone and online access, for landlords, tenants and courts to verify the status of applications for rental assistance, including whether the application has been approved or denied and, if applicable, the reason for the denial.

SB 91 allowed counties with populations of at least 200,000 to choose between three options for implementation of “round one” emergency rental assistance funding: Option A (state administered program), Option B (locally administered program conforming with state program), and Option C (non-conforming locally administered program). AB 832 includes options for counties to select a different administrative model for the “round two” emergency rental assistance, subject to limitations outlined in Sections 24 and 26 of the bill.

For round two emergency rental assistance funding, the Department of Housing and Community Development (HCD) can use up to 15% of funding available for state administration. HCD shall also reserve \$125 million for emergency rental assistance to tenants and landlords in counties with populations less than 200,000 to be allocated based on each county’s proportionate share of the population from the 2019 federal census data.

Counties with populations of 200,000 or greater are eligible to apply for round two block grant funding, which will be allocated based on the local jurisdiction’s share of the state’s population from the 2019 federal census data. Grantees must request an allocation no later than 30 days after the operative date of AB 832. HCD shall pay all grantees an initial payment of at least 40% of each grantee’s total round two allocation based on their share of population. Grantees must contractually obligate 75% of this initial allocation by October 31, 2021, and 50 percent of their total state allocation by January 31, 2022.

Detailed provisions of AB 832 include:

- Evictions for nonpayment of rent may not be filed before October 1, 2021, for an eligible tenant impacted by COVID-19 who properly returns the relevant declarations in response to a notice.
- Tenants will have until September 30, 2021, to pay 25% of the rent that was owed from September 1, 2020, through September 30, 2021, to be protected from eviction for nonpayment of rent during that time period.
- Collection actions for COVID-19 rental debt may not begin before November 1, 2021,

- Sunset dates in SB 91 will be extended by 3 months with two exceptions: the sunset on state preemption of local protections will be extend through March 31, 2022, and the provisions limiting access to court records related to evictions for non-payment of rent between March 4, 2020, and September 30, 2021, will become permanent.
- Both tenants and landlords will be eligible for relief in the amount of 100% of rental arrears accrued starting April 1, 2020. Payments are retroactive, so any landlord or tenant who has already received funds can still get to 100%.
- Tenants are able to apply on their own if their landlord does not apply.
- Eligible tenants can get 100% of prospective rent up to a maximum of 18 months of total rental assistance to the tenant.
- Relief will be available for back rent owed by a tenant who has already moved out, but these payments can only go directly to landlords.
- From October 1, 2021, through March 31, 2022, no summons can issue in an unlawful detainer based on non-payment of rental debt that “accumulated due to COVID hardship” unless the landlord can show that they applied for rental assistance and the application was denied. This will not apply to new tenancies created after October 1, 2021 (a new landlord-tenant relationship; not just a new lease). If a landlord does not make this showing within 60 days, the case shall be dismissed without prejudice.
- Starting October 1, 2021, a tenant in an unlawful detainer who has an approved rental assistance application, can petition the court to stay the unlawful detainer until the funding is received. The case will be dismissed if that payment resolves the unpaid rent that is the basis of the unlawful detainer.
- The state and all local rental assistance programs will have to develop a way for courts, landlords, and tenants, to verify the status of a rental assistance application.
- The ability for a court to offset in a collection action any amount a landlord was eligible to get from a rental assistance program but for which they failed to apply will be extended to Option C jurisdictions. (This previously only applied in A and B jurisdictions)
- The 15-day notice informing tenants who have not paid rent of their rights under SB 91/AB 832 will remain in effect through September 30, 2021, and revert to a 3-day notice on October 1, 2021.
- If a tenant submits an application and is issued funds, the tenant must give the funds to the landlord within 15 days or face a one-month late fee so long as the lease permits late fees.

Transportation

The June 28 framework makes significant one-time investments in state and local transportation infrastructure:

- \$1.1 billion for State Highway Operations and Protection Program projects from interest earnings on dedicated state transportation revenues, including \$316 million

ACTION

earned to-date on SB 1-related revenues and additional interest to be accrued for those programs between 2020-21 and 2027-28.

- \$1 billion in General Fund for projects related to the 2028 Olympics in Los Angeles.
- \$1 billion in General Fund for rail and transit projects.
- \$500 million General Fund for city and county active transportation project grants.
- \$500 million in General Fund for grade separation projects through the Transit and Intercity Rail Capital Program.
- \$400 million in General Fund for a new state and local transportation infrastructure climate adaptation grant program, pending approval of authorizing legislation.
- \$396.7 million from the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) to be allocated to regional transportation planning agencies for regional and local projects.
- \$23.5 million from Highway Infrastructure Program funding for city and county bridge projects.

SB 1 Maintenance of Effort Requirement

The transportation budget trailer bill ([AB/SB 149](#)) includes language providing relief from [SB 1 \(Beall, 2017\)](#) maintenance of effort (MOE) requirement for cities and counties. CSAC and other stakeholders negotiated this language with the Administration last summer. Specifically, the trailer bill waives the MOE requirement for 2019-20, and in 2020-21 and 2021-22, each local agency's SB 1 MOE will be prorated downward based on reductions in taxable sales from 2018-19 to 2020-21 and 2021-22, respectively. No city or county's MOE will be increased pursuant to these provisions.

The trailer bill also authorizes a local agency to petition the Controller to use transient occupancy tax (TOT) revenues in lieu of taxable sales as the basis for calculating the revised MOE requirement for 2021-22. To be eligible for this calculation, the local agency's 2018-19 TOT revenues must exceed the amount of the agency's non-prorated SB 1 MOE. Moreover, the local agency must show that the rate of the local agency's reduction in TOT revenues between 2018-19 and 2020-21 exceeded the rate of reduction in sales and use tax revenue between 2018-19 and 2020-21.

Clean California Initiative

The budget includes \$418 million over three years for Caltrans litter removal, as well as \$328.9 million for state and local beautification projects. The transportation trailer bill (AB 149/SB 149) creates the Clean California Local Grant Program of 2021 to award local and regional public agencies up to \$5 million per grant for community litter abatement projects, events, and educational programming as well as greening and landscaping projects on local streets and roads, tribal lands, parks, pathways, transit centers, and other public spaces. The bill requires Caltrans to develop guidelines, including project selection criteria and program evaluation

metrics. Local matching funds of up to 50% will be required, although Caltrans can reduce or waive the requirements for disadvantaged communities. The program will require a process for allocating 50% of the program funds to projects to benefit underserved communities, to be defined by Caltrans. The trailer bill prohibits grants for projects that displace persons experiencing homelessness.