



September 11, 2020

PPG Legislative Report to the CAUFC Board

General Overview

The Legislature concluded the 2020 legislative session last Monday, August 31 at midnight and the Governor now has until October 1 to sign or veto bills. Many pieces of legislation died as they simply ran out of time to be considered and passed by the Assembly and Senate. This included a last ditch effort to pass a wildfire funding package.

Overall, this legislative session was considerably impacted by COVID-19. Many legislators had to reduce their bill package as the Legislature had to adjust to a significantly shortened calendar and the logistical challenges of conducting hearings in a safe manner.

Going into next year's session there are a number of bill proposals, including bonds, that are likely to be revisited with the expectation that the Legislature can handle "near normal" bill loads.

State Budget

COVID-19 also significantly affected the state budget as projections went from a \$6 billion surplus to a forecasted \$54 billion deficit. Through a number of maneuvers, including tapping into the state's rainy day fund and reducing spending across a number of categories, the budget was balanced and actually proposes \$11.4 billion remaining in reserves for next year. There are a number of proposed cuts that will be triggered off if federal assistance is realized.

The state budget process is where we do a lot of work on behalf of CAUFC, this is where Cap & Trade negotiations take place. Much of the recent funding for the CALFIRE Urban Forestry program comes from Cap & Trade revenues. This year, Cap & Trade funding negotiations completely stalled. The Legislature did not appropriate any of the Cap & Trade revenues this year. However, approximately \$4 million in unspent bond funds for Urban Forestry were found through the budget process. These funds were reappropriated in the 2020-21 state budget. Therefore, where we were expecting zero funding for the Urban Forestry program this year, we ended up with a little.

This fall we will be working with the legislature to try to get additional funding for the Urban Forestry program from Cap & Trade.

Climate Resilience Bonds

This year we worked on two legislative climate resilience bond proposals to insure inclusion of funding for Urban Forestry and Urban Greening, SB 45 by Senator Allen and AB 3256 by Assemblymember Garcia. Although both bonds failed to pass, we are hearing that the Legislators involved in those bond efforts will likely revisit them in the next legislative session.

This fall and into next year we will work with the legislature, state agencies including Natural Resources agency and CALFIRE, to lobby for the inclusion of Urban Forestry in any bond package that moves forward.

Next Steps

In the next couple of months we will be working with Nancy to formulate our priorities for CAUFC for the 2021-22 legislative session. We will continue to focus on securing funding for the Urban Forestry program at CALFIRE.