



**RCRC**  
*THE RURAL  
RUNDOWN*

September 1, 2022

**A SUMMARY OF THE  
FINAL 2022-23 STATE  
BUDGET PACKAGE**

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## RCRC'S SUMMARY OF THE FINAL 2022-23 BUDGET PACKAGE

**O**n August 31, 2022, in the final hours of the legislative session, the Legislature passed a variety of budget bills and trailer bills, developing details around funding for energy, wildfire, and drought funding. These bills are now headed to the desk of Governor Newsom for consideration, where they are expected to be signed into law. The *Rural Rundown* captures highlights of the final budget package as it relates to RCRC member counties.

The final 2022-23 Budget Package includes several noteworthy items, including:

- Identifies one-time CARE Court implementation/start-up funding for counties
- Significant funding was provided for solid waste management and recycling.
- Major support for energy infrastructure projects.
- Several broad allocations to the state's Nature-Based Solutions initiatives, which include the 2021 State Adaptation Strategy, 2022 Scoping Plan, Wildfire and Forest Resilience Action Plan, Strategic Plan to Protect California's Coast and Ocean and Water Resilience Portfolio.
- Robust additional allocations to CAL FIRE for local fire prevention grants and other local fire mitigation assistance, funding for the Regional Forest and Fire Capacity Program, and important provisions to extend CEQA exemptions for projects on USDA Forest Service lands done under Good Neighbor Authority or stewardship agreements with state or local agencies that have already undergone the NEPA process.

While not a comprehensive list, below are some of the other budget highlights of particular interest to RCRC member counties:

For additional detail about the final 2022-23 State Budget Package, [see here](#) for analysis by RCRC's advocacy partners, *Hurst Brooks Espinoza, LLC*.

### **Agriculture**

The final 2022-23 State Budget Package contains funding for agriculture, including:

- \$30 million to UC Merced's Future of Food Innovation Fund, to be administered in conjunction with California State University, Fresno.
- \$5 million to the fund grant activities recommended by the Invasive Species Council of California.
- \$60 million to CA Department of Food and Agriculture to administer grants to grower under the State Water Efficiency and Enhancement Program (SWEEP).
- \$23 million to Department of Social Services for drought food assistance.

### **County Operations**

The final 2022-23 State Budget Package establishes the *Advance Payment Pilot program* until July 1, 2025, which authorizes state agencies administering specified grant programs to advance payments (up to 25% of the grant total,) to local agencies, nongovernmental entities, and other state agencies if certain criteria are met, including requiring advance payment recipients to provide an itemized budget, spending timeline, and workplan.

## **Energy**

The final 2022-23 State Budget Package provides significant funding to improve energy reliability, as well as for solid waste management and recycling, including:

- \$100 million to help industrial facilities purchase and deploy equipment to support grid reliability, transition away from natural gas, incorporate energy storage and renewable energy, etc.
- \$25 million to reduce greenhouse gas emissions and decarbonize food processing facilities.
- \$162 million for building decarbonization programs.
- \$45 million for offshore wind investment plans, environmental studies and review, facility retrofitting, etc.
- \$100 million for a pumped energy storage project at Lake Oroville.
- \$200 million for energy transmission projects from the Climate Catalyst Program.
- \$50 million for carbon removal projects.
- \$100 million to help support hydrogen fuel production and deployment.
- \$20 million to promote use of ultra-low-global warming potential refrigerants.
- \$235 million for ZEV vehicles and infrastructure and another \$130 million to expand the Clean Cars for All program.
- Expands funding for residential solar and energy storage deployment.

## **Forest and Public Lands Stewardship**

The final 2022-23 State Budget Package contains a number of broad allocations to the state's Nature-Based Solutions initiatives, which include the 2021 State Adaptation Strategy, 2022 Scoping Plan, Wildfire and Forest Resilience Action Plan, Strategic Plan to Protect California's Coast and Ocean and Water Resilience Portfolio. The final package also includes robust additional allocations to CAL FIRE for local fire prevention grants and other local fire mitigation assistance, funding for the Regional Forest and Fire Capacity Program, and important provisions to extend CEQA exemptions for projects on USDA Forest Service lands done under Good Neighbor Authority or stewardship agreements with state or local agencies that have already undergone the NEPA process.

- \$80 million to CAL FIRE for Fire Prevention Grants, including prescribed wildland grazing, prescribed grazing infrastructure, and projects that convert lands to less-fire prone.
- \$70 million to the California Natural Resources Agency for a Tribal Nature-Based Solutions Program.
- \$20 million to the Department of Conservation for the Regional Forest and Fire Capacity Program, with up to \$5 million available for prescribed fire training.

- \$2 million to the Office of Planning and Research for forestry sector market development, with priority to projects producing mass timber from forest restoration materials.
- \$38 million to the California Conservation Corps for local and tribal Nature-Based Solutions Corps projects and associated administrative costs.
- \$14 million to the Department of Conservation for local assistance to implement projects consistent with the state's Natural and Working Lands Climate Smart Strategy and Pathways to 30x30 Strategy. Eligible recipients include, but are not limited to, local governments, community-based organizations and resource conservation districts.
- \$16 million to CAL FIRE for local assistance and support.
- \$17 million to CAL FIRE for school greening projects.
- \$12.9 million to the Sierra Nevada Conservancy to fund programs that advance multi-benefit and nature-based solutions.
- \$90 million to the Department of Fish and Wildlife to support programs and activities the advance multi-benefit and nature-based solutions.
- \$12 million to the Wildlife Conservation Board for competitive grants in the Cascades and High Sierra Upper Watersheds Program to improve watershed protection and resiliency.
- \$12 million to the Wildlife Conservation Board for competitive grants through the Land Acquisition and Habitat Enhancement Program.
- \$150 million to the Wildlife Conservation Board for the nature-based solutions grant program.
- \$2 million to the Wildlife Conservation Board to support resource conservation investment strategies.
- \$50 million to the State Coastal Conservancy to support acquisitions that advance multi-benefit and nature-based solutions.
- \$5 million to the California Air Resources Board for the Woodsmoke Reduction Program to promote switching from high polluting wood burning stoves.
- Extends the sunset from January 1, 2023, to January 1, 2028, for the CEQA exemption related to prescribed fire, thinning, and fuel reduction projects undertaken on federal lands to reduce the risk of high-severity wildfire that have been reviewed under the National Environmental Policy Act if certain conditions are met. This provision expands the exemption to include projects undertaken in whole or in part on federal lands as well as projects funded by tribal cultural burn and tribal wildfire funding authorized by the Budget Act of 2021.
- Establishes the Community Resilience Center Program, which is to be administered by the Strategic Growth Council, in coordination with the Office of Planning and Research.
- Requires a local agency to designate moderate and high fire hazard severity zones within 120 days of receiving recommendations from the State Fire Marshal (SFM). This provision also authorizes a local agency, at its discretion, to include areas within its jurisdiction, not identified as moderate and high fire hazard severity zones by the

SFM, as moderate and high fire hazard severity zones; and prohibits the local agency from decreasing the level of fire hazard severity zone as identified by the SFM.

- Makes permanent CAL FIRE's ability to make advance payments of forest resilience grants to local governments.

## **Healthcare and Social Services**

The final 2022-23 State Budget Package contains funding for healthcare and social services, including:

### **Behavioral Health**

- Identifies one-time CARE Court implementation/start-up funding for counties, including:
  - \$31 million for all counties to plan for implementation, and an additional \$26 million for counties in cohort one.
  - SB 1338 contains an important commitment that the bill will only become operative upon consultation with county stakeholders to develop an allocation to provide state financial assistance to counties to implement the CARE Court process over the long term.

### **Public Health**

- \$41.5 million for monkeypox response, with flexibility to transfer state support dollars to support additional local assistance.
  - \$25.7 million state support
  - \$15.8 million local assistance

## **Public Safety & Emergency Management**

The final 2022-23 State Budget Package contains funding for public safety and emergency management, including:

- \$150 million to county and state fairgrounds, for upgrade and maintenance, as well as the development of community resiliency centers. This includes:
  - \$85 million for construction or retrofit community resilience centers that serve as emergency response facilities and aid in building long-term resilience, preparedness, and recovery operations for local communities.
- \$10 million for a construction of a new courthouse in Shasta County
- Exempts the following from the prohibition established in AB 2571 related to firearm advertising and marketing to minors:
  - advertising for classes or events related to firearm safety, hunting, sport shooting.
  - promotion of membership in an organization.

## **Solid Waste Management & Recycling**

The final 2022-23 State Budget Package provides significant funding for solid waste management and recycling, including:

- \$391 million to improve access to beverage container redemption opportunities and increase recycling.
  - \$220 million over three years to help site new recycling centers, reverse-vending machines, bag drop programs, and dealer cooperatives to help consumers get their beverage container deposits back.
  - \$50 million to improve quality of recycled material.
  - \$40 million improve quality and increase collection of plastic thermoform packaging.
  - \$30 million in startup loans for beverage container recycling centers.
  - \$25 million to create a deposit system for reusable containers.
  - \$30 million for plastic market development payments.
  - \$5 million for workforce development.
  - \$1 million to help consumers find local redemption opportunities.
- \$10 million for grants to reduce methane emissions at wastewater treatment facilities.
- \$7.5 million for a new compost facility permitting pilot program.

## **Transportation**

The final 2022-23 State Budget Package provides funding for transportation, including:

- Appropriates over \$4 billion for High Speed Rail Authority, but makes half that appropriation contingent upon the establishing of an Inspector General to review the current status of the HSR project, and to provide future oversight, as well as upon HSRA hitting several benchmarks, as specified.
- \$619 million dollars in current and future appropriations, including those from “future legislation” for promoting the use of zero-emission vehicles and development of ZEV infrastructure, including \$53 million for “emerging opportunities within zero-emission vehicles, [ZEV] components, and [ZEV] vehicle charging and refueling equipment” to both state and local agencies.
- Future intended appropriations of over \$2.4 billion dollars for ZEV investments, to be determined at a later date.

## **Water and Wildlife**

The final 2022-23 State Budget Package provides funding for water and wildlife, including:

- \$49 million to Department of Water Resources for immediate drought response and assistance, including to support agricultural and data collection projects.

- \$56 million for implementation grants to GSAs for activities under the Sustainable Groundwater Management Act.
- \$122 million to multi-benefit projects and programs that support drought resilience and aquatic habitat.
- \$15 million for solar demonstration projects at state canals and reservoirs.
- \$132 million to the Department of Fish and Wildlife, including:
  - \$32 million for improving state-owned hatcheries.
  - \$42 million for projects to implement the State Wildlife Action Plan, the California Wildlife Barriers Report and the Fish Passage Annual Legislative Report.
- \$143 million to State Water Board, \$43 million of which would be put toward “water rights modernization”, and \$100 million to fund water recycling projects.
- Future appropriation of \$210 million to State Water Board for continued funding of water recycling projects.
- \$40 million to Department of Conservation for the Multibenefit Land Repurposing Program for projects that reduce groundwater use, repurpose irrigated agricultural land, and provide wildlife habitat.
- \$16 million to the Wildlife Conservation Board for competitive grants through the Cascades and High Sierra Upper Watershed Basins to improve watershed protection and climate resiliency.
- Future appropriation of \$48 million to Wildlife Conservation Board for watershed climate resilience grants.
- \$71 million to Department of Finance to make future subappropriations for drought contingency costs.
- Future appropriation of \$97 million to California Coastal Commission for climate resiliency projects and development of public infrastructure along the coast.
- Future appropriation of \$20 million to California Coastal Conservancy for coastal conservation projects.
- Future appropriation of \$11 million to CA Tahoe Conservancy to support various wildfire prevention programs.
- Future appropriation of \$25 million to Sierra Nevada Conservancy to support various wildfire prevention programs.

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Contact members of the RCRC Government Affairs Department at 916-447-4806 with any questions or concerns.

## Index of August 2022 Budget Bills

<b>Assembly/Senate</b>	<b>Subject Matter</b>
AB 151/SB 135	State employment: State Bargaining units: agreements: compensation and benefits.
AB 152/SB 136	COVID-19 relief: supplemental paid sick leave
AB 156/SB 137	State Government
AB 157/SB 138	State Government
AB 158/SB 140	Personal Income Tax Law: Corporation Tax Law: exclusions from income: Paycheck Protection Program.
AB 160/SB 141	Public safety trailer bill
AB 179/SB 179	Budget Act of 2022 (BBJ)
AB 185/SB 185	Education finance: education omnibus trailer bill
AB 190/SB 190	Higher education budget trailer bill
AB 204/SB 121	Budget Act of 2022: Health Omnibus
AB 207/SB 124	Human services omnibus
AB 209/SB 126	Energy and climate change
AB 221/SB 128	Public resources trailer bill