



# Nora Vargas

## CHAIRWOMAN

San Diego County Board of Supervisors

March 15, 2024

The Honorable Scott D. Wiener  
Chair, Senate Budget and Fiscal Review Committee  
1021 O Street, Suite 8630  
Sacramento, CA 95814-4900

The Honorable Jesse Gabriel  
Chair, Assembly Budget Committee  
1021 O Street, Suite 8230  
Sacramento, CA 95814-4900

### **Re: Budget Requests from the County of San Diego**

Dear Chairman Wiener and Chairman Gabriel:

The State Budget is one of the most important documents in California government as it details the distribution of dollars for critical programs and services throughout the state. As budget deliberations begin for the FY 24-25 budget, the County of San Diego (County) would like to highlight those items of greatest importance to our community. We understand the difficult decisions you face, particularly as the state faces a significant budget deficit for the first time in many years, and hope this will be helpful in informing your decisions on how we ensure the most public good.

In addition, our own County's budget challenges are heightened by the estimated \$73 billion budget deficit, prompting important discussions at the local level as the impact trickles down to our day-to-day services and programs that are the safety net for our community. The County will have to make tough decisions as we balance the implementation of new programs with overall reduced funding. Furthermore, the County faces a penalty of up to \$6 million for the number of justice-involved individuals deemed Incompetent to Stand Trial in our region. As we prepare to face all these challenges head on, we acknowledge it will take collaboration and continuous engagement with your offices. We look forward to working with you over the next several months as you work together with the Administration to craft a budget that works for all Californians.

On behalf of the County, we respectfully request your consideration of the following budget requests related to our highest priorities following the release of the Administration's proposed budget:

### **SB 43 Implementation Funding and Support**

On October 10, 2023, Governor Newsom signed into law Senate Bill 43 (SB 43) amending the Lanterman-Petris-Short Act, for the first time in over 50 years and significantly expanding the potential population of individuals that can be compelled into treatment or placed under conservatorship by including those experiencing severe substance use disorder (SUD). With these expansive changes, there was no corresponding funding to allow for counties to operationalize the vision of SB 43 and treat and house those individuals who would now fall under these treatment categories. San Diego County is currently in a robust planning process for the full implementation of SB 43 by the County in January 2025. The Administration's Proposed Budget provides no funding for implementation costs and identification of and possible expansion of eligible facilities. Adequate funding is critical to ensure communities can adequately build the infrastructure needed for intervention and support in behavioral health services, housing, staffing and judicial spaces. In addition, pending the outcome of Proposition 1, the County looks forward to engaging with the Legislature and Administration on the process for providing counties with the additional infrastructure dollars made available in Proposition 1.

### **Maintain Existing SB 678 Grant Funding Methodology**

The Community Corrections Performance Incentive Act, or Senate Bill 678 (SB 678) (2009) was designed to reduce recidivism and alleviate state prison overcrowding. SB 678 encourages county probation departments to use evidence-based supervision practices to promote rehabilitation and preserve public safety while reducing the number of individuals on felony supervision who are sent to a state prison. The Community Corrections Performance Incentive Grant was established to support county probation departments in these efforts. Beginning FY 24-25, the administration's budget proposes reverting to the grant funding methodology used prior to the pandemic, disproportionately impacting funding for the County of San Diego's Probation Department.

The County uses SB 678 funding to train Probation Officers on leadership skills to integrate evidence-based practices and case management techniques. Additionally, SB 678 funding has been instrumental in providing direct treatment services to meet the needs of probationers, including substance abuse treatment, cognitive behavioral treatment, and vocational and educational opportunities with an emphasis on job creation and retention. These services are currently provided with the intent to assist our clients with reintegrating into society and reducing the risk of recidivism. Reverting the SB 678 grant funding methodology would lead to an estimated decrease of \$1.9 million for the County's Probation Departments, reducing the number of services and number of clients served. The proposal would jeopardize programs providing job readiness and transitional employment education, interim housing, residential treatment programs for substance use disorders and cognitive behavioral therapy services. For this reason, it is imperative to either maintain the existing grant funding methodology to continue the existing funding level during the formula freeze or consider a new methodology that leads to a stable funding stream for SB 678 funding for critical county services.

The County joins our partners, including the County Welfare Directors Association of California (CWDA), in opposing cuts to CalWORKs initiatives and services.

### **Restore CalWORKs Cuts**

#### *CalWORKs-Family Stabilization*

The Administration's Budget proposes a reversion of \$55 million in FY 23–24 and a reduction of \$71 million beginning in FY 24-25 and ongoing to the CalWORKs Family Stabilization Program (FS). In FY 23-24, the FS program is estimated to assist approximately 3,805 customers in San Diego County. If the Legislature approves the current fiscal year reductions, the County will likely need to immediately stop the program and if the proposed cuts for FY 24-25 stand, the FS program would be eliminated entirely. Such a proposal could be devastating for families and individuals currently served by San Diego County.

#### *CalWORKs-Expanded Subsidized Employment*

The Administration's Budget proposes a retroactive cut of all funding to the CalWORKs Expanded Subsidized Employment (ESE) Program in the current year, totaling \$134.1 million, and proposes to eliminate the program in FY 24-25 and annually ongoing. The ESE program offers CalWORKs participants subsidized employment placement, providing crucial training, skills, and experiences essential for securing and maintaining permanent employment. The ESE program is estimated to assist approximately 1,132 CalWORKs customers in FY 23-24. If the proposed fiscal year reductions remain, the County would likely need to immediately stop the Expanded Subsidized Employment program. For FY 24-25, the Expanded Subsidized Employment program would appear to be entirely eliminated based on the proposal, which would significantly impact our CalWORKs families who benefit from the program.

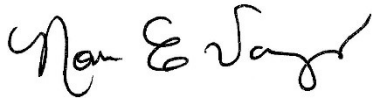
#### *CalWORKs-Single Allocation*

The Administration's Budget proposes a net total of \$218 million in ongoing cuts to the Single Allocation, including \$46 million beginning in the current year and an additional \$172 million beginning in FY 24-25. The total reductions and adjustments proposed to the CalWORKs Single Allocation in FY 24-25 could have significant impact to the County's funding for eligibility and employment services which, in turn, could significantly impact the County's CalWORKs customers.

While these are highest priorities, we are also concerned with the lack of permanent funding for the Homeless Housing, Assistance and Prevention (HHAP) Grant Program, the reversion of funding for the Infill Infrastructure Grant Program, and the reduction and delays in essential broadband funding, which will impact future implementation of broadband in San Diego County.

While keeping in mind the difficult fiscal situation the State now faces, the County urges your consideration of these highest priorities as part of the final FY 24-25 State Budget. Thank you for your consideration, and for your partnership and investments in the critical programs, services, and supports we provide to those in our community who need it the most.

Sincerely,



NORA VARGAS

Chairwoman, San Diego County Board of Supervisors  
Supervisor, First District

Cc: Hon. Mike McGuire, Senate President pro Tempore, District 02  
Hon. Robert Rivas, Speaker pro Tempore, District 29  
Hon. Brian Jones, Senate Minority Leader, District 40  
Hon. Steve Padilla, Senate Assistant Majority Whip, District 18  
Hon. Kelly Seyarto, Senator, District 32  
Hon. Catherine Blakespear, Senator, District 38  
Hon. Toni Atkins, Senate pro Tempore Emeritus, District 39  
Hon. Christopher Ward, Assembly Member District 78  
Hon. Laurie Davies, Assembly Member, District 74  
Hon. Marie Waldron, Assembly Member, District 75  
Hon. Brian Maienschein, Assembly Member, District 76  
Hon. Tasha Boerner Horvath, Assembly Member, District 77  
Hon. Akilah Weber, Assembly Member, District 79  
Hon. David Alvarez, Assembly Member, District 80