

**PROPOSED FISCAL YEAR 2024-2025 STATE BUDGET
POTENTIAL IMPACTS ON THE COUNTY OF SAN DIEGO**



INTRODUCTION

Proposed State Budget (*Governor’s Proposed Budget Summary, Pages 1-8*)

The Governor’s Proposed FY 24-25 Budget of \$291.5 billion in overall spending represents a nearly \$20 billion reduction from the FY 23-24 budget enacted in June of last year, and like last year, the state is once again faced with a shortfall. This shortfall is projected to be \$37.9 billion, which is significantly less than the LAO’s revised deficit estimate of \$58 billion. The variance reflects differing assumptions about future revenues and expenditures. An indication that the actual shortfall is likely to be greater than the Governor’s estimate is reflected in January revenues coming in about \$3 billion less than projected.

The budget shortfall reflects the volatility of the State’s revenues, driven largely by declines in the stock market during 2022 and the unprecedented delay in tax collections instituted last year by the Federal government. The delay in tax collections until late last year prompted corrections normally made in the May revised budget to be reflected in this budget which is seen to “normalize” recent years of revenue volatility and distortion. Considerable risks to the economy remain that could impact state revenues and lead to more substantive changes to programs.

Closing the Budget Gap (*Governor’s Proposed Budget Summary, Pages 1-8*)

The Governor’s Budget seeks to close the budget deficit through the following measures:

- **Reserves - \$13.1 billion:** Withdrawals from the budget stabilization and safety net reserve accounts to maintain fiscal stability.
- **Reductions - \$8.5 billion:** Budget reduces funding for various items, including:
 - Several climate program reductions of \$2.9 billion
 - Various housing program reductions of \$1.2 billion
- **Internal borrowing/Increased revenue - \$5.7 billion:**
 - Managed Care Organization Provider tax (MCO tax) support of \$3.8 billion to raise revenues
 - Borrowing from internal special funds
- **Spending Delays - \$5.1 billion:** The budget delays funding for a number of items and spreads that funding over a three-year period, beginning in FY 25-26.
- **Fund shifts and deferrals - \$5.5 billion:** A combination of shifting funding from the General Fund to other funds along with deferrals of specific obligations to FY 25-26.

Below are the details of impacts to the County by business group.

HIGHLIGHTS

FINANCE AND GENERAL GOVERNMENT	
Proposal	County Impact
Economic Development (<i>Governor’s Proposed Budget Summary, Page 91</i>)	
California Jobs First - Delay of \$300 million for program intended to support resilient, equitable, and sustainable regional economies.	This is a potential funding source for regional economic development activities tied to the county’s Comprehensive Economic Development Strategy (CEDS) that may now be delayed or unavailable. The

	<p>San Diego/Imperial counties combined regional effort, led by SDSU, is currently developing a regional strategy for using available funding to support industries with high-quality, broadly accessible, and equitable jobs.</p>
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HEALTH AND HUMAN SERVICES	
Proposal	County Impact
Behavioral Health Services (<i>Governor's Proposed Budget Summary, Pages 54, 57, 63, 103</i>)	
<p>BH-CONNECT Demonstration - Maintains \$7.6 billion through the waiver term of five years for the Department of Health Care Services (DHCS) and the Department of Social Services (DSS) to implement the BH-CONNECT Demonstration, effective January 2025.</p>	<p>Potential for funding to expand behavioral health services for community-based services and short-term inpatient services.</p>
<p>Behavioral Health Continuum Infrastructure Program (BHCIP) - Delay of \$140.4 million from FY 24-25 to FY 25-26, for a total of \$380.7 million for the final round of grants in FY 25-26. The Budget maintains \$300 million in FY 23-24 and \$239.6 million in FY 24-25.</p>	<p>No significant impacts anticipated due to delay of funding. To date, BHS has been awarded approximately \$16.5 million in BHCIP funds for development of the new psychiatric inpatient unit at Edgemoor. BHS has planned to submit a project for round 6 funding. It is unclear whether the proposed delay will impact timing of round 6 application awards.</p>
<p>Behavioral Health Bridge Housing (BHBH) - Due to lower-than-projected Mental Health Services Act (MHSA) revenues, the Budget proposes to shift \$265 million in the 2023 Budget Act to FY 24-25. In addition, the Budget delays \$235 million originally planned for FY 24-25 to FY 25-26. Despite the delays, the Budget maintains \$1.5 billion for this program.</p>	<p>No significant impact anticipated from funding shift and delays. There will be additional rounds of BHBH funding, and the County is currently working on Round 3 submissions. To date, over \$44.3 million has been awarded to the County.</p>
<p>Clinic Workforce Stabilization Payments - A reversion of \$14.9 million from the one-time \$70 million included in the 2022 Budget Act for the Clinic Workforce Stabilization and Retention Payment Program for workforce development programs.</p>	<p>No impact as a result of reversion of funds. The County was paid by the State and SDCPH & Edgemoor employees received payment. EDGA will continue to monitor if there are future opportunities to leverage available funding.</p>
<p>Healthcare Workforce - A delay of \$140.1 million to FY 25-26 for nursing and social work initiatives administered by the Department of Health Care Access and Information. Given lower-than-projected MHSA revenue, the Budget also delays \$189.4 million to FY 25-26 for the social work initiative, addiction psychiatry fellowships, university, and college grants for behavioral health professionals, expanding Master of Social Work slots, and the local psychiatry behavioral health program. Despite the delays, the Budget maintains \$974.4 million for these initiatives; however, the funds will go out later than originally planned.</p>	<p>No significant anticipated impacts due to the delay. Currently, the County does not receive funds. The County will continue to move the MHSA Workforce proposal forward.</p>

Health Care Worker Minimum Wage (<i>Governor's Proposed Budget Summary, Page 103</i>)	
<p>Health Care Worker Minimum Wage - SB 525 increases the minimum wage incrementally to \$25 an hour for specified health care workers, effective June 1, 2024. Given the overall economic and General Fund revenue outlook and the significant fiscal impact of SB 525 on the state, the Administration is seeking early budget action in January by the Legislature to add an annual "trigger" to make the minimum wage increases subject to General Fund revenue availability and make other implementation clarifications.</p>	<p>An initial County review noted SB 525 impacting HHS's SDCPH, Edgemoor, Pharmacy, clinics (BHS, MCSD, and PHS), and medical staff assigned to other programs. As a County, our first impact will be January 1, 2025, and then June 1, 2026, and June 1, 2028. The classifications that appear to be impacted are Food Services Workers and Student Workers. DHR is leading a workgroup to further analyze and identify solutions.</p> <p>Legislative action putting in place a trigger to delay wage increases could delay any impact to County.</p>
Migrant Assistance (<i>Governor's Proposed Budget Summary, Page 61</i>)	
<p>Migration and Border Communities - The State has previously funded humanitarian services for migrants released from short-term federal custody in the Southern border region, including a \$150 million one-time investment in FY 23-24. The Proposed Budget provides no additional support but notes the Administration will continue to assess needs for possible consideration in the May Revision.</p>	<p>Ongoing state and federal support for non-profit organizations led work is critical to support asylum seekers. A decrease in support from the State to local non-profit organizations in a time of record setting encounters along the southwest border will continue to impact local jurisdictions and lead to vulnerable communities being street released.</p>
Child & Family Well-Being (<i>Governor's Proposed Budget Summary, Pages 60-62</i>)	
<p>Foster Care Rate Reform - Includes \$12 million in FY 24-25 to make automation changes for a reformed foster care payment structure, with full implementation anticipated as early as FY 26-27.</p>	<p>County impact will be determined by new rate system which is currently unknown.</p>
<p>Family Urgent Response System (FURS) - The Governor's Budget proposes a cut of \$30 million General Fund in FY 24-25 and on-going to the FURS program, thereby eliminating the program. FURS provides 24/7 conflict resolution, de-escalation, and in-person response to current and former foster children and their caregivers to preserve families via a state-level hotline and a county-based mobile response team.</p>	<p>Potential contract impact, which will be proportionate to current allocation. If State funding were to be eliminated, County would have to also eliminate the FURS program. The County served 109 youth in FY 22-23 and 22 youth in FY 23-24.</p>
<p>Housing Supplement for Foster Youth in Supervised Independent Living Placements (ILP) - A reduction of \$195,000 in FY 24-25 and \$25.5 million (\$18.8 million General Fund) in FY 25-26 and ongoing.</p>	<p>The Governor's proposal would eliminate funding for a new program to add a housing supplement to SILP payment for youth in Extended Foster Care equivalent to the fair market rate of THP payments. No current impact since the program had not yet started.</p>
<p>Bringing Families Home Program - Delays \$80 million for the Bringing Families Home to FY 25-26.</p>	<p>No impact for current fiscal year, potential allocation decreases in FY 25-26. Currently, there is no ongoing funding provided after the one-time funds are exhausted. To date, the County has been awarded \$7.2 million, available for use through FY 24-25.</p>

Homelessness (Governor's Proposed Budget Summary, Pages 62, 66-68)	
Encampment Resolution Grants - Maintains previously budgeted amounts of \$400 million for a third round of encampment resolution grants.	The County will partner with other jurisdictions to apply for new rounds of Encampment Resolution Grants. Thus far, \$22 million in Encampment Resolution Grants has been awarded to the County to support efforts in the San Diego Riverbed and Plaza Bonita encampment.
Homeless, Housing, Assistance, and Prevention (HHAP) - The Budget maintains a total of \$1.1 billion for HHAP Round 5 across FY 23-24 and FY 24-25 to provide local jurisdictions with flexible funding to continue efforts to prevent and end homelessness in their communities. Includes a delay from FY 23-24 to FY 25-26 of \$260 million of HHAP funding. Discussions on future rounds of HHAP will occur in the spring and with an emphasis on accountability measures. The Proposed Budget also includes a reversion of \$100.6 million in HHAP administrative set asides, leaving \$51.1 million for program administration. This amount matches the resources required to administer HHAP.	The County will receive a funding allocation of approximately \$14.2 million for Round 5 (in partnership with the RTFH who will receive about \$14.8 million and the City of San Diego who will receive \$29 million), all more than prior allocations. Impact of delay is unknown at this time.
Housing and Disability Advocacy Program - Includes a delay of \$50 million for the Housing and Disability Advocacy Program to FY 25-26.	Fiscal impact is unknown at this time. The County was most recently awarded \$1.3 million in FY 23-24.
Housing (Governor's Proposed Budget Summary, Page 66)	
Infill Infrastructure Grant Program - A reversion of \$200 million for the Infill Infrastructure Grant Program, which leaves \$25 million in FY 23-24 for this purpose.	Potential indirect impact to affordable housing production in the region. Affordable housing developers are direct recipients of these programs and the State's reduction could potentially impact the timing of housing production unless local agencies and other entities fill the funding gaps.
CalHome Program - A reversion of \$152.5 million General Fund for the CalHome Program.	No direct fiscal impact to the County. County CalHOME program currently utilizes funds received from the repayment of loans from borrowers, and not from the proposed reversion of funds and, therefore, this reversion will not impact the issuance of new loans to low-income, first-time homebuyers.

Self-Sufficiency (Governor's Proposed Budget Summary, Pages 55-56, 58-59)

<p>CalWORKs Grant Increase - An approximate 0.8-percent increase to CalWORKs Maximum Aid Payment (MAP) levels, with an estimated cost of \$26.7 million, is projected to begin October 1, 2024. A determination and update of the projected grant increase will be made at the May Revision. These projected increased costs would be funded entirely by the Child Poverty and Family Supplemental Support Subaccount of the 1991 Local Revenue Fund and would be in addition to the 3.6-percent statutory increase in FY 23-24.</p>	<p>No local fiscal impact for CalWORKs as increased grants would be funded by federal and State revenue. CalWORKs caseload is 17,245 cases (families). The current MAP range is \$732-\$3,205 depending on household size. CalWORKs grant increase would also be applied to General Relief, which is funded with County funds. This increase would be beneficial to the customers that the County serves.</p>
<p>Single Allocation - A reversion of \$336 million from FY 22-23 that is projected to be unexpended in the CalWORKs Single Allocation. The Budget also reflects a reversion of \$40.8 million in FY 23-24 and reduction of \$40.8 million in FY 24-25 and ongoing which was previously approved as part of an ongoing augmentation for this program.</p>	<p>While the reversion of FY 22-23 and FY 23-24 projected unspent funds is not anticipated to have any impact to the County, 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.</p>
<p>Employment Services Intensive Case Management - A reduction of \$47 million General Fund beginning in FY 24-25 and ongoing.</p>	<p>Funding available to the County would be anticipated to decrease impacting the level of support provided to CalWORKs customers trying to attain self-sufficiency.</p>
<p>Family Stabilization - A reversion of \$55 million in FY 23-24 and a reduction of \$71 million beginning in FY 24-25 and ongoing.</p>	<p>In FY 23-24, the Family Stabilization program is estimated to assist approximately 3,805 customers in San Diego County. It is uncertain how the current year proposals would be implemented if approved. If the Legislature approved the current fiscal year reductions, the County would likely need to immediately stop the program. For FY 24-25, the Family Stabilization program would appear to be entirely eliminated based on the proposal, which would significantly impact CalWORKs families who participate in the program.</p>
<p>Expanded Subsidized Employment - A reversion of \$134.1 million in FY 23-24 and a reduction of \$134.1 million in FY 24-25 and ongoing.</p>	<p>In FY 23-24, the Expanded Subsidized Employment program is estimated to assist approximately 1,132 customers in San Diego. It is uncertain how the current year proposals would be implemented if approved. 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.</p>

Aging (Governor's Proposed Budget Summary, Page 68)	
<p>Home Safe Program - A delay of \$65 million for the Home Safe Program for FY 25-26 to support the safety and housing stability of individuals involved in Adult Protective Services (APS).</p>	<p>Aging and Independence Services (AIS) received a \$4.9 million allocation in both FY 21-22 and FY 22-23 for a total of \$9.7 million. Current funding for FY 21-22 is eligible to be utilized through FY 23-24, and funding for FY 22-23 is eligible to be utilized through FY 24-25. Future impacts of the funding delay are unknown at this time.</p>
Medi-Cal (Governor's Proposed Budget Summary, Pages 53-56)	
<p>Expanding Medi-Cal to All Income-Eligible Californians - Maintains \$1.4 billion in FY 23-24, \$3.4 billion in FY 24-25, and approximately \$3.7 billion ongoing, inclusive of In-Home Supportive Services (IHSS) costs, to expand full-scope Medi-Cal eligibility to income-eligible adults aged 26 to 49 regardless of immigration status as of January 1, 2024.</p>	<p>Anticipates an overall increase of Medi-Cal beneficiaries statewide. The County does not anticipate increased administrative revenue to support increase.</p>
<p>California Advancing and Innovating Medi-Cal (CalAIM) - Maintains approximately \$2.4 billion in FY 24-25 to continue transforming the health care delivery system through CalAIM at DHCS. The Budget also maintains \$24.7 million in FY 25-26 increasing to \$197.9 million at full implementation to allow up to six months of rent or temporary housing to eligible individuals experiencing homelessness or at risk of homelessness transitioning out of institutional care, a correctional facility, the child welfare system, or other transitional housing settings. Counties will also have the option to implement this benefit as part of the BH-CONNECT Demonstration.</p>	<p>Potential increase in grant funding to Medical Care Services (MCS) through DHCS funding under various CalAIM initiatives. In addition, there is potential funding for Behavioral Health Services as part of the BH-CONNECT Demonstration. Additional fiscal impact if the County becomes an Enhanced Care Management or Community Supports provider related to MCS programs and services that could be billable under CalAIM.</p> <p>CalAIM/Medi-Cal transformation has the potential to increase access to critical health and social care services for the most vulnerable Medi-Cal members to advance equity goals. May require increased care coordination for County programs that serve Medi-Cal members eligible for new services available under CalAIM. Additionally, the housing component will help support clients who are experiencing homelessness or at risk of homelessness.</p>

MCO Tax (Governor's Proposed Budget Summary, Page 55)	
<p>MCO Tax - In December 2023, the federal government approved California's Managed Care Organization Provider tax (MCO tax), effective April 2023, through December 2026. Given the budget shortfall, the Administration is seeking action by the Legislature to request the federal government approve an increase to the tax to achieve \$20.9 billion in total funding to the state. The Governor's Budget proposes \$12.9 billion to support the Medi-Cal program and maintain a balanced budget, and \$8 billion for targeted rate increases and investments from this MCO tax. This would help maintain existing services and minimize the need for reductions. The Governor's Budget includes \$2.8 billion in FY 24-25 and approximately \$6.5 billion in FY 25-26 for targeted rate increases and investments consistent with FY 23-24, \$727 million annually is for Medi-Cal provider rate increases effective January 1, 2024.</p>	<p>County anticipates that there would be no local fiscal impact. However, this funding would be used to increase the rates paid to selected Medi-Cal providers which could potentially provide better access to services for Medi-Cal beneficiaries. Medical providers impacted include Medicare for Primary Care (inclusive of Nurse Practitioners and Physician Assistants), Maternity Care (inclusive of OB/GYN and doulas) and non-specialty mental health.</p>

LAND USE AND ENVIRONMENT	
Proposal	County Impact
Energy and Climate Investments (Governor's Proposed Budget Summary, Pages 34, 40, 106)	
<p>Equitable Zero-Emission Vehicles (ZEV) and Infrastructure - Maintains \$10 billion, over seven years instead of five, in targeted investments to the state's ZEV agenda for disadvantaged and low-income communities to benefit from clean transportation and improve public health.</p> <p>Also includes \$38.1 million in reductions, \$475.3 million in fund shifts to the Greenhouse Gas Reduction Fund (GGRF), and \$600 million in delays across various programs.</p>	<p>It is anticipated that some of the available funding could be allocated to the Department of Parks and Recreation (DPR) for capital or major maintenance projects related to EV charging station network.</p>
<p>Urban Greening Program - \$23.8 million from GGRF to establish, enhance, and expand community spaces and parks, tree planting, and green infrastructure.</p>	<p>The available funding is significantly reduced as compared to previous years, however, it is still anticipated that some of the funding could be allocated to DPR for urban greening programs, such as parks development, tree planting, greenways, etc.</p>

<p>Extreme Heat and Community Resilience Program - Eliminates \$40.1 million to reduce the impact of extreme heat.</p>	<p>This item may serve as potential funding for County resiliency projects. Local agricultural operators experiencing impacts due to excessive heat may face operational and financial challenges.</p> <p>The reduction of funding primarily impacts long range planning to develop resiliency plans (Planning and Development Services) and vertical infrastructure retrofits/construction focused on mechanical cooling systems (Department of General Services). Additionally, this reduction will impact programs in the most heat vulnerable communities.</p>
<p>Broadband (<i>Governor's Proposed Budget Summary, Pages 97-98</i>)</p>	
<p>Statewide Broadband Network Implementation - Investments to expand access to high-speed broadband across the state, including \$1.5 billion over two years for middle mile investments to bring connectivity to the state's remaining unconnected and under-connected communities.</p> <p>Additionally, includes a delay of \$100 million for last-mile infrastructure grants at the California Public Utilities Commission (CPUC) and a reduction of \$250 million for Broadband Loan Loss Reserve Fund.</p>	<p>Planning and Development Services (PDS) and the Department of Public Works (DPW) are supporting the LUEG Comprehensive Broadband Plan effort. Delayed and reduced state funding could impact the future implementation of broadband in the unincorporated areas of the county, but no direct impact to the County.</p>
<p>Transportation (<i>Governor's Proposed Budget Summary, Pages 109, 110</i>)</p>	
<p>Transit and Intercity Rail - Delays \$3.2 billion for capital projects that support state and local intercity rail, bus, ferry, and rail transit systems and shifts \$791 million to the GGRF.</p>	<p>May potentially delay development of transit and/or transit supportive infrastructure in Vehicle Miles Traveled (VMT), infill or Transit Oriented Areas (TOA).</p> <p>The shift of \$791 million to the GGRF could augment funding gaps in DPR capital projects across the county, including:</p> <ul style="list-style-type: none"> • Improvement of playgrounds, shade structures, and upgrades to ballfields and playgrounds with artificial turf at various parks. • Support funding for Electric Vehicle (EV) and Photovoltaic (PV) projects at existing facilities, new projects, and new local parks in park deficient communities to increase recreational opportunities closer to home.
<p>Active Transportation Program (ATP) - Reduces funding by \$200 million, leaving the program with \$850 million in resources for FY 23-24 to increase use of active modes of transportation, such as walking and biking.</p>	<p>The available funding is significantly reduced as compared to previous years; however, it is still anticipated that some of the funding could be allocated to DPR for active transportation projects.</p>
<p>Coastal Resilience (<i>Governor's Proposed Budget Summary, Page 42</i>)</p>	
<p>SB 1 Programs Coastal Planning - Reverses \$25 million of SB 1 funding to support increased planning for sea level rise and retains \$36.8 million by shifting to the GGRF.</p>	<p>Potential funding for resiliency could help the Tijuana River Park adapt to sea-level rise.</p>

<p>Sea Level Rise - Reverses \$220.9 million for activities to ensure coastlines, inland bays, and estuaries are resilient to the impact of sea level rise, such as flooding, erosion, and habitat loss. Maintains \$333.6 million previously allocated for this program.</p>	<p>Despite the budget reduction, it is anticipated that the available funding could be allocated through grants for which DPR would be eligible.</p>
<p>Coastal Protection and Adaptation - Reversion of \$171.1 million to protect and restore coastal lands, increase resilience to climate change and to improve public access to the coast. The budget maintains \$154.9 million previously allocated for this program.</p>	<p>No significant impact anticipated.</p>
<p>Environmental Justice (<i>Governor's Proposed Budget Summary, Pages 51-52</i>)</p>	
<p>Outdoor Equity Grants Program - Reduction of \$25 million for outdoor environmental education and access programs. The budget maintains \$90 million previously allocated for this program.</p>	<p>It is anticipated that some of the available funds previously allocated for this program (\$90 million) could be allocated for the DPR SD Nights outdoor education program.</p>

<p>PUBLIC SAFETY</p>	
<p>Proposal</p>	<p>County Impact</p>
<p>Child Support (<i>Governor's Proposed Budget Summary, Page 58</i>)</p>	
<p>Temporary Assistance for Needy Families (TANF) - Expenditures of \$9.4 billion in FY 24-25 for temporary cash assistance to low-income families with children to meet basic needs, including:</p> <ul style="list-style-type: none"> • \$7 billion for CalWORKs program expenditures • \$2.4 billion for Child Welfare Services, Foster Care, Department of Child Support Services (DCSS), and other programs 	<p>DCSS anticipates flat funding for FY 24-25 estimated at \$57.2 million.</p>
<p>Fire Prevention and Protection (<i>Governor's Proposed Budget Summary, Page 36, 48, 85</i>)</p>	
<p>Home Hardening - A reduction of \$12 million in the Home Hardening Pilot program to retrofit, harden, and create defensible space for homes at high risk to wildfires.</p>	<p>County Fire participates in the Community Home Hardening program. This reduction may lead to a potential decrease in grant funding.</p>
<p>Ramona Air Attack Base - An increase of \$12 million in one-time funding to reconfigure the fire-retardant loading pits to prevent and suppress wildland fires.</p>	<p>Potential funding to support the response for new fire activities, sustained suppression activities on major fires, and tactical air support.</p>
<p>Community Hardening - A reversion of \$45 million for community hardening grant programs, while maintaining \$55 million of one-time investments.</p>	<p>Potential decrease in Hazard Mitigation Grant Program funds that may impact County Fire Home Hardening program activities.</p>
<p>Law Enforcement (<i>Governor's Proposed Budget Summary, Page 80</i>)</p>	
<p>Proposition 47 - \$87.8 million in Proposition 47 savings to be allocated through grants to public agencies for recidivism reduction, truancy and dropout prevention programs, and victims' services.</p>	<p>The County currently participates in the Proposition 47 Grant Program Cohort III. This allocation could potentially lead to additional funding to reduce recidivism.</p>

<p>Raising Awareness on Gun Violence Restraining Orders - \$15 million across FY 21-22 (\$11 million) and FY 23-24 (\$4 million) to facilitate education and training efforts related to gun violence restraining orders, including a public awareness campaign, grants to domestic violence groups to conduct outreach, and gun violence restraining order trainings to entities statewide.</p>	<p>Potential training opportunities to County departments.</p>
<p>Firearm Relinquishment Program - \$21 million reduction in funding to Cal OES for FY 23-24 for the Gun Buyback Program.</p>	<p>Loss of a grant funding opportunity to County departments.</p>
<p>Public Defender (<i>Governor's Proposed Budget Summary, Page 81</i>)</p>	
<p>Public Defender Pilot Program - \$40 million reduction in FY 23-24 for the third and final year. This program must be utilized for indigent defense in criminal matters.</p>	<p>There is no fiscal impact from the \$40 million reduction in FY 23-24. The Public Defender's prior year rollover of funds from FY 21-22 and FY 22-23 are sufficient to complete the program evaluation and project through the end of the grant period.</p>
<p>Probation (<i>Governor's Proposed Budget Summary or other source, Page 80,81</i>)</p>	
<p>Community Corrections Performance Incentive Grant (SB 678) - \$113.6 million for county probation departments to reduce felony probationers sent to state prison. SB 678 funding was held constant for the prior three fiscal years due to the pandemic impact on probation populations statewide. Beginning in FY 24-25, the allocation will revert to the pre-pandemic methodology as specified in statute.</p>	<p>Estimated decrease of \$1.9 million to the Probation Department from \$2.9 million to \$1.0 million.</p>
<p>Post-Release Community Supervision (PRCS) - \$4.4 million to county probation departments in FY 24-25.</p>	<p>The County allocation is currently unknown. There is a potential decrease of \$0.4 million to the Probation Department (from \$0.8 million to \$0.4 million) due to an increase in average daily population of individuals on PRCS.</p>
<p>Community Corrections Planning (CCP) - \$8 million reduction beginning in FY 24-25 to support ongoing implementation of realignment for counties that provide CCP Plans and reports.</p>	<p>The County currently receives \$0.2 million per year for completing the CCP Plan and reports. There could be a potential decrease in the amount received for completing the plan and reports.</p>
<p>Division of Juvenile Justice (<i>Governor's Proposed Budget Summary, Page 76</i>)</p>	
<p>Juvenile Justice Realignment Block Grant (JJRBG) - \$16.2 million growth statewide to support the care, treatment, and custody of the realigned population.</p>	<p>Estimated growth of \$0.9 million to the Probation Department from \$10.9 million to \$11.8 million.</p>
<p>Juvenile Justice Realignment - SB 823 required the Governor and Legislature to establish a new funding distribution methodology for FY 24-25 by January 10, 2024; the Administration proposes maintaining the current formula.</p>	<p>The County allocation is currently unknown. Existing law requires the funding distribution to be finalized by September 1, 2024. If the current formula is maintained, the base allocation for the Probation Department is estimated at \$10.9 million, similar to FY 23-24.</p>