



# County of San Diego

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TO: Supervisor Nora Vargas, Chairwoman  
Supervisor Terra Lawson-Remer, Vice Chair  
Supervisor Joel Anderson  
Supervisor Monica Montgomery Steppe  
Supervisor Jim Desmond

FROM: Sarah Aghassi  
Interim Chief Administrative Officer

## **HIGHLIGHTS OF THE GOVERNOR'S MAY REVISION FOR FISCAL YEAR 2024-25 AND POTENTIAL COUNTY IMPACTS**

On May 10, 2024, Governor Gavin Newsom presented a revised Fiscal Year (FY) 2024-25 State Budget. The revised state budget, also known as the May Revision, notably projects a larger budget deficit of \$44.9 billion, which is \$7 billion higher than what was proposed in January. In April, Governor Newsom, Speaker Rivas, and Senate President pro Tempore McGuire agreed to an early action budget package, which reduced the deficit by \$17.3 billion, leaving the May Revision to address the remaining \$27.6 billion budget shortfall.

The proposals in the May Revision are staggering and will significantly impact County departments, their operations, and the County's fiscal outlook. The May Revision includes reductions to more than 260 state programs and revenue streams, many of which flow directly into County programs, internal borrowing, delays and pauses, a decreased reliance on reserves, and shifting expenditures to other funds to address the remaining budget deficit in the current fiscal year and in the upcoming fiscal year. If the proposals proposed in the May Revision are approved in the Enacted State Budget, the impacts will be felt for decades.

Each County business group is impacted, but the most notable impacts will be felt by the Health and Human Services Agency. Impacts to the County include a proposal to eliminate funding for public health workforce and infrastructure (\$14 million annually and 91 FTEs) and CalWORKS (approximately \$60 million annually and the elimination of critical services and supports for families who need it most).

The Office of Economic Development and Government Affairs (EDGA) is already sharing the County's budget priorities and advocating in Sacramento. They are advocating to restore funding for public health, CalWORKS, and HHAP Round 5 supplemental grant funding and will continue to monitor negotiations and advocate on additional proposals as needed. The State Legislature now has until June 15 to pass a State Budget in advance of the end of the fiscal year on June 30.

The attached document includes highlights of the Governor's FY 2024-25 May Revision and potential impacts to the County of San Diego. If you have any questions, please contact Caroline Smith, Director of the Office of Economic Development and Government Affairs, at (619) 884-1923.

Respectfully,

A handwritten signature in black ink, appearing to read "Sarah Aglassi". The signature is fluid and cursive, with a distinct loop at the end.

SARAH AGHASSI  
Interim Chief Administrative Officer

Attachment

cc: ACAO, FGCG, HHSA, LUEG, PSG, CNL

**GOVERNOR’S MAY REVISION FISCAL YEAR 2024-25 STATE BUDGET  
POTENTIAL IMPACTS ON THE COUNTY OF SAN DIEGO**



**INTRODUCTION**

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**Proposed State Budget May Revision** (*Governor’s May Revision Summary, Pages 1-11*)

The Governor’s May Revision for FY 24-25 projects a \$44.9 billion shortfall, which is \$7 billion higher than the January Budget proposal. The Governor agreed to an early action budget package with leadership from both the Assembly and the Senate, reducing the deficit by \$17.3 billion. To address the remaining \$27.6 billion budget shortfall, the Governor is proposing to tap into budget reserves, delay and defer funding for multiple programs, reduce funding across various programs, particularly climate and housing programs, and borrow internally from special funds.

Many of the proposals included in the May Revision will directly impact County operations and programs across all departments. Given the fiscal outlook, the Office of Economic Development and Government Affairs (EDGA) swiftly began advocacy to emphasize the importance of protecting and investing in the County’s programs that are most at risk and serve as the safety net for our communities. The County advocated for continued funding to support Public Health Workforce and Infrastructure, CalWORKS programs that support low-income families, and the Homeless Housing, Assistance, and Prevention Program (HHAP).

In the below County impacts, you will find that many programs are at risk of being partially cut or entirely eliminated. Other notable programs include habitat conservation, outdoor opportunities for youth, and critical funding to transition to an electric fleet, as well as funding for probation programs that help reduce recidivism and work with individuals towards rehabilitation.

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

**HIGHLIGHTS**

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<b>FINANCE &amp; GENERAL GOVERNMENT GROUP</b>	
<b>Proposal</b>	<b>County Impact</b>
<b>Economic Development</b> ( <i>Governor’s May Revision Summary, page 18; May Revision General Fund Solutions tables from Department of Finance, pages 1, 5</i> )	
California Jobs First - Reduction of \$150 million (\$50 million annually from FY 24-25 through FY 26-27) for the California Jobs First Program.	Reduced funding available for future investment in regional economic development. EDGA is supporting the Southern Border Region framework development activities.
California Arts Council - Reduction of \$10 million to the California Arts Council.	The May Revision reduces the California Arts Council budget by 38 percent. Arts and culture

	positively impact the well-being of California's residents, communities, and economy.
Performing Arts Equitable Payroll Fund - Reduction of \$12.5 million to the Performing Arts Equitable Payroll Fund.	Reduction rolls back a five-year effort to stabilize the live arts workforce, which contribute jobs and adds economic impact to the region.
<b>HEALTH AND HUMAN SERVICES AGENCY</b>	
<b>Proposal</b>	<b>County Impact</b>
<b>1991 and 2011 Realignment</b> ( <i>County Welfare Directors Association of California (CWDA) May Revision Budget Update #2, page 2</i> )	
<p>Realignment - Growth is projected to be significantly lower in the current year than reflected in the January budget with minimal growth in FY 24-25.</p> <ul style="list-style-type: none"> <li>• 1991 Realignment-Sales tax increase by 1.42% and Vehicle License Fee increase by 2.42% from FY 23-24 to FY 24-25</li> <li>• 2011 Realignment-Increase by 1.93% from FY 23-24 to FY 24-25</li> </ul>	Minimal realignment growth would limit any expansion of new programs and would create additional pressure in funding caseload growth and increased costs of doing business for realigned programs.
<b>Aging</b> ( <i>California State Association of Counties (CSAC) May Revision Budget Action Bulletin Summary, page 24-25, 27</i> )	
Adult Protective Services (APS) Expansion - Reduction of \$40 million (\$70 million to \$30 million annually) for APS expansion beginning in FY 24-25.	<p>Reduction would negatively impact quality of service delivery and social worker recruitment/retention. The reduction may also create an unfunded mandate to fully serve the expanded population of older adults from 65 to 60 years of age.</p> <p>The County estimates a reduction of \$2.8 million. As of March, there have been 21,034 APS referrals, with 1,576 from people between the ages of 60-64 served.</p>
APS Training - Reduction of \$4.8 million for social worker training beginning FY 24-25. Reduction is expected to be ongoing.	<p>No fiscal impacts to the County.</p> <p>The regional training program, organized by San Diego State University, would be unable to continue their training program, thereby eliminating training opportunities for County APS staff.</p>
Home Safe Program - Elimination of \$65 million for the Home Safe Program in FY 25-26.	Elimination of the Program would impact the County's ability to serve older adults who are housing insecure or homeless in FY 25-26. Home Safe services include, housing navigation, short-term financial assistance for housing or case management.

	<p>The County anticipated receiving \$4.8 million for the Home Safe Program in FY 24-25. Impacts to staffing and contracts would be anticipated if funding is reduced in the current year.</p>
<p>Older Californians Act Modernization Program - Elimination of \$37.2 million in FY 24-25 and FY 25-26.</p>	<p>Reductions are estimated to reduce Aging and Independent Services (AIS) funding by approximately \$2 million for nutrition services in FY 24-25.</p> <p>The County's current allocation for the Older Californians Act Modernization Program for Nutrition is \$8.7 million over 5 years, beginning in FY 23-24. AIS budgets approximately \$1.8 million annually to fund at least 145,000 to-go meals annually and \$200,000 for staffing (1.5 FTEs). This amount has already been allocated in FY 24-25 for nutrition contracts. In the absence of funding, the number of meals served, and participants enrolled would be reduced.</p>
<p><b>Behavioral Health</b> (<i>Governor's May Revision Summary, pages 8, 14-15</i>)</p>	
<p>Children and Youth Behavioral Health Initiative - Reduction of \$72.3 million one-time in FY 23-24, \$348.6 million in FY 24-25, and \$5 million in FY 25-26 for school-linked health partnerships and capacity grants and youth suicide reporting and crisis response pilot.</p>	<p>The Behavioral Health Services' (BHS) budget includes \$4.1 million for the youth suicide reporting and crisis response pilot program funded through June 30, 2025, utilizing dollars from this initiative. As of now, funding for the pilot does not appear to be impacted.</p>
<p>CalWORKs Mental Health and Substance Abuse Services - Elimination of \$126.6 million ongoing for the CalWORKs Mental Health and Substance Abuse Services program.</p>	<p>Funding supports approximately \$10 million in contracted behavioral health services and other support costs for CalWORKs participants. The May Revision would risk eliminating services for CalWORKs Welfare-to-Work participants such as;</p> <ul style="list-style-type: none"> <li>• Mental health and co-occurring treatment. (Clients served 615)</li> <li>• Screening, assessment, and referrals for CalWORKs Welfare-to-Work participants to appropriate substance use disorder (SUD) treatment service (Clients served 320)</li> <li>• Transitional sober housing in a residential environment for parents and their dependent children who have a Child and Family Well-Being (CFWB), court-ordered family reunification plan, and who have completed a SUD treatment program. (The program houses 21 residents in five apartments)</li> <li>• Dependency Drug Court SUD Coordination Services program, conducting substance use screening, service coordination, and ancillary support services to parents with CFWB</li> </ul>

	involvement. (Unique Clients with Timely Access to Screening & Referral: 697)
Behavioral Health Continuum Infrastructure Program (BHCIP) - Elimination of \$450.7 million one-time from the last round of BHCIP funding, while maintaining \$30 million one-time in FY 24-25.	<p>Potential elimination of future funding for BHS capital projects. Prop 1 Bond funding will offer new opportunities for capital grant opportunities which may mitigate the loss.</p> <p>BHS has been awarded \$16.7 million from prior BHCIP rounds.</p>
Behavioral Health Bridge Housing Program (BHBH) - Reduction of \$132.5 million in FY 24-25 and \$207.5 million in FY 25-26 for the BHBH Program, while maintaining \$132.5 million in FY 24-25 and \$117.5 million in FY 25-26.	BHS has been awarded \$44,300,211 in BHBH Round 1 funding. BHS has received 25% (\$10,367,483) of this funding to date. BHS has also applied for BHBH Round 3 with a request of \$12.4 million.
<b>CalFresh</b> (Governor's May Revision Summary, page 15; CWDA May Revision Budget Update #2, page 12)	
County Administration Funding - The May Revision estimates a \$121,346,000 decrease (\$2,577,162,000 to \$2,455,816,000).	<p>The decrease will impact the amount of CalFresh Administration Funding the County receives to support staffing costs.</p> <p>The decrease could reduce the FY 24-25 CAO Recommended Operational Plan Allocation of \$174.5 million by up to \$15 million. Final impacts will depend on allocation methodology.</p>
California Food Assistance Program - Delays for two years the California Food Assistance Program expansion to begin in FY 26-27 with benefits beginning in 2027-28.	<p>No fiscal impact to the County or current customers.</p> <p>The expansion will allow non-citizens, who are currently excluded from CalFresh based solely on their immigration status, to be eligible for benefits.</p>
<b>CalWORKs</b> (Governor's May Revision Summary, pages 5, 15; CSAC May Revision Budget Action Bulletin Summary, page 25)	
CalWORKs Home Visiting Program - Reduction of \$47.1 million ongoing for the CalWORKs Home Visiting Program.	<p>Estimated reduction of \$1.7 million coming to the County, or 40 percent of the amount budgeted. In addition, fewer CalWORKs families would receive home visiting services supporting positive health development and well-being outcomes for families with young children.</p> <p>The County advocated for restoring CalWORKs funding on March 15, 2024, and on May 16, 2024.</p>
Single Allocation - Additional reduction of \$272 million in Employment Services portion of the Single Allocation from the Governor's Proposed Budget.	<p>The proposed reduction to the CalWORKs Single Allocation in FY 24-25 would significantly impact the County's funding for eligibility and employment services.</p> <p>The County would anticipate a reduction of over \$20 million from the FY 23-24 CalWORKs Single Allocation and FY 24-25 CAO Recommended</p>

	<p>Operational Plan Amount. Final impacts will depend on allocation methodology.</p> <p>The FY 24-25 CAO Recommended Operational Plan includes a total of \$99.7 million to support staffing, customer ancillary payments and contractor costs for employment services.</p> <p>The County advocated for restoring CalWORKS funding on March 15, 2024, and on May 16, 2024.</p>
<p>CalWORKS Family Stabilization - Elimination of the CalWORKS Family Stabilization program in FY 24-25 and ongoing.</p>	<p>The CalWORKS Family Stabilization program is estimated to assist approximately 1,495 customers in FY 23-24. In FY 24-25, the May Revision proposal would eliminate the program entirely, which would significantly impact CalWORKS families who participate in the program. The FY 24-25 CAO Recommended Operational Plan for contracted services includes \$12.7 million to support Family Stabilization.</p> <p>The County advocated for restoring CalWORKS funding on March 15, 2024, and on May 16, 2024.</p>
<p>CalWORKS Expanded Subsidized Employment - Maintains \$134.1 million for the current year but proposes to eliminate the CalWORKS Expanded Subsidized Employment program in FY 24-25 and ongoing.</p>	<p>The CalWORKS Expanded Subsidized Employment program is estimated to assist approximately 967 customers in FY 23-24. The FY 24-25 CAO Recommended Operational Plan for contracted services includes \$6.5 million to support Expanded Subsidized Employment.</p> <p>The County advocated for restoring CalWORKS funding on March 15, 2024, and on May 16, 2024.</p>
<p>CalWORKS Caseload - Maximum Aid Payment (MAP) increase of 0.3 percent for October 1, 2024, which is less than the projected 0.8 percent increase in the Governor’s Proposed Budget.</p>	<p>No local fiscal impact for CalWORKS as increased grants would be funded by federal and State revenue. CalWORKS caseload is 17,609 families. The current MAP range is \$732-\$3,205 depending on household size and exemption status.</p> <p>Any CalWORKS grant increase would also be applied to General Relief, which is funded with County funds.</p>
<p><b>Child &amp; Family Well-Being</b> (<i>Governor’s May Revision Summary, page 15; CWDA May Revision Budget Update #2, pages 4, 16-17</i>)</p>	
<p>Foster Care Permanent Rate Structure - The May Revision includes statutory language that would make the proposed foster care rate structure subject to a trigger, based on the availability of funding in spring 2026. The trigger language for this proposal would make implementation of the new tiered rate structure dependent upon the</p>	<p>The County impact will be determined by the new rate system, which is currently unknown.</p>

<p>availability of adequate revenues over the multiyear forecast in spring 2026.</p>	
<p>Resource Family Approval (RFA) - Elimination of \$50 million to support mandated activities associated with the RFA process, beginning July 1, 2024, and annually ongoing. The state budget has previously included one-time and ongoing funding to support state-mandated case management activities to perform timely approval of relative caregivers through the RFA process.</p>	<p>Elimination of funding would result in a reduction of \$4.2 million in FY 24-25 for caregiver approvals completed by County staff.</p> <p>Operational impacts include potential delays in approval process for becoming Resource Parents. In addition, the timeline for approval may become longer for relatives/non-related extended family members (NREFM) and children may have to spend a longer time in and out of home care with a nonrelative; and delays in available placements for children in need, including more children spending time in emergency shelter care.</p> <p>Currently, there are approximately 1,700 approved caregivers (aka resource families) and 180 families moving through the application process.</p>
<p>Emergency Child Care Bridge (ECCB) Funding - Reduction of \$34.8 million beginning in FY 24-25, and annually ongoing. This reduction equates to a 40 percent reduction in overall funding and rolling back an expansion that was approved in the FY 22-23 budget, which included \$26 million for vouchers, \$5 million for navigation, and \$4 million for training.</p>	<p>Currently, \$1.5 million is included in the FY 24-25 CAO Recommended Operational Plan (not including ARPA funded Child Care Bridge Program). The May Revision proposes to reduce program funding beginning in FY 24-25, and annually ongoing. ECCB funding currently assists an average of 800 families involved in child care services on an annual basis.</p>
<p>Bringing Families Home program - Elimination of \$80 million for the Bringing Families Home program.</p>	<p>Currently, \$3.4 million is included in the FY 24-25 CAO Recommended Operational Plan. The May Revision proposes to sunset the program at the end of FY 24-25. Locally, funding assists approximately 100 families annually involved in family reunification services in child welfare.</p>
<p><b>Homelessness</b> (<i>Governor's May Revision Summary, page 18</i>)</p>	
<p>Homeless Housing, Assistance and Prevention (HHAP) Round 5 Grant Program - Reduction of \$260 million one-time in FY 25-26 for HHAP Round 5 supplemental grant funding.</p>	<p>The County would have potentially received an additional allocation of funding through the HHAP Round 5 supplemental grant funding.</p> <p>Base funding for Round 5 is still anticipated to be available. The County is expected to receive an allocation of approximately \$14.2 million, which would be used to fund services through FY 27-28. In addition, while the 2023 Budget Act expressed intent to fund a sixth round of HHAP, a sixth round of funding for this program is not included in the May Revision.</p> <p>The County advocated for restoring the HHAP Round 5 supplemental grant funding and for a sixth round of HHAP on May 16, 2024.</p>



<b>Housing</b> (Governor's May Revision Summary, pages 18-19, 41)	
Multifamily Housing Program (MHP) - Additional elimination of \$75 million in FY 23-24.	<p>No direct fiscal impact to the County. The County does not receive or administer funding under this State program.</p> <p>Potential indirect impact to affordable housing production in the region. Affordable Housing developers are direct recipients of this program, and the reduction could potentially impact the timing of housing production and the region's ability to increase affordable housing opportunities.</p>
Adaptive Reuse Program - Reduction of \$127.5 million in FY 23-24, which would eliminate the Adaptive Reuse Program.	The Adaptive Reuse Program is associated with building more downtown-oriented and affordable housing through funding adaptive reuse. Elimination of this program may impact the County's Housing Element implementation efforts.
Low Income Housing Tax Credits - One-time additional \$500 million in state Low Income Housing Tax Credits for FY 24-25.	No direct fiscal impact to the County. Additional funding may have a positive impact on the region's ability to increase affordable housing by making additional funds available to affordable housing developers.
<b>In-Home Supportive Services (IHSS)</b> (Governor's May Revision Summary, page 15; CSAC May Revision Budget Action Bulletin Summary, pages 24-25, 27; May Revision General Fund Solutions tables from Department of Finance, page 5)	
IHSS for Undocumented Individuals - Elimination of IHSS Medi-Cal benefit for undocumented expansion coverage for all ages.	<p>Elimination of funding would have minimal financial impact to County operations.</p> <p>In FY 23-24, the County was allocated \$3,634 and less than 200 recipients received services under this category.</p>
IHSS Permanent Backup Provider System - Elimination of IHSS permanent back-up provider system.	<p>Elimination of funding would potentially negatively impact Public Authority's ability to recruit and retain IHSS caregivers, as the State-funded \$2/hr supplement would be removed. This could result in higher calls and/or reports to APS.</p> <p>The County was allocated \$71,947 in FY 23-24, which would be eliminated going forward. In the current fiscal year, from July 2023 to April 2024, there have been 637 referrals to the back-up provider system.</p>
IHSS Career Pathways Program - Reduction of \$60 million for the IHSS Career Pathways Program.	<p>Reduction in funding may negatively impact the Public Authority's ability to recruit and retain IHSS caregivers as paid training would no longer be available.</p> <p>In the current fiscal year, 11,616 providers were trained via the Career Pathways Program.</p>

<p><b>Medi-Cal</b> (Governor's May Revision Summary, pages 9-10, 14; CSAC May Revision Budget Action Bulletin Summary, pages 19, 22-23)</p>	
<p>The 2022 Budget Act included a trigger that anticipated certain programs would be included in the 2024 Budget Act if estimated resources reflected in the 2024 May Revision could support such ongoing increases over the multiyear forecast. Given the negative multiyear projections, the following investments that were part of the trigger are not included in the May Revision:</p> <ul style="list-style-type: none"> <li>• Medi-Cal Share of Cost Reform</li> <li>• Continuous Medi-Cal Coverage for Children Aged zero through four</li> </ul>	<p>No financial impact to the County. Under the Medi-Cal Share of Cost Reform, the impact for customers would be that the Share of Cost, which has not been adjusted since 1989, would remain in its current form.</p> <p>Under Continuous Coverage for Children, children aged zero through four would have been provided stable Medi-Cal coverage, even if the annual renewal for Medi-Cal was not completed.</p>
<p>Managed Care Organization (MCO) Tax - The May Revision:</p> <ul style="list-style-type: none"> <li>• Modifies the proposal to more fully account for Medicare revenue in determining the maximum aggregate tax allowable</li> <li>• Maintains 2024 targeted rate increases</li> <li>• Eliminates investments proposed in the Governor's Proposed budget, other than the targeted rate increases implemented on January 1, 2024</li> <li>• Eliminates 2025 targeted rate increases/investments and fund reserve</li> </ul>	<p>The County anticipates that there would be no local fiscal impact. However, this funding would have been used to increase the rates paid to selected Medi-Cal providers which could potentially provide better access to services for Medi-Cal beneficiaries.</p>
<p>Freeze Medi-Cal County Administration Increases - The May Revision proposes to freeze funding levels for county administration of the Medi-Cal Eligibility functions.</p>	<p>There will be a County impact on revenue received for staff to process Medi-Cal applications and renewals. Efforts are ongoing with the County Welfare Directors Association of California (CWDA) to understand the full financial impacts of freezing the cost-of-living increase. Typically, the County would expect to receive a \$3 - \$4 million increase tied to the annual adjustment.</p>
<p>Medi-Cal Caseload - Average Monthly Caseload is expected to increase. The Governor's Proposed Budget estimated 13,761,400 while the May Revision estimates 14,508,200, or an increase of 746,000.</p>	<p>The County typically carries about eight percent of the caseload, so our portion of the estimated increase in caseload is around 60,000 customers. The increase in caseload will add to staff workloads with no associated increase in funding.</p>
<p><b>Public Health</b> (Governor's May Revision Summary, pages 14-15)</p>	
<p>Healthcare Workforce Reduction - Elimination of \$300.9 million in FY 23-24, \$302.7 million in FY 24-25, \$216 million in FY 25-26, \$19 million in 26-27, and \$16 million in FY 27-28 for various healthcare workforce initiatives including community health workers, nursing, and social work. The May Revision would also eliminate \$189.4 million in the Mental Health Services Fund for the social work initiative.</p>	<p>The County does not currently receive funding, so no direct financial impact.</p> <p>The County will continue to move the Mental Health Services Act (MHSA) INNOVATION Behavioral Health Workforce proposal forward.</p> <p>The County advocated for restoring public health workforce and infrastructure funding on May 16, 2024.</p>

<p>Public Health Funding - Elimination of \$52.5 million in FY 23-24 and \$300 million ongoing for state and local public health.</p>	<p>Public Health Services has included \$14.4 million in Future for Public Health grant funds annually for FY 24-25 and FY 25-26. If eliminated, this proposal would impact funding for 91 full-time equivalents (FTEs) across five public health branches. The elimination of funding would impact infectious disease control, beach water testing, and ongoing emergency preparedness and response activities for skilled nursing facilities.</p> <p>The Department of Environmental Health and Quality (DEHQ) may need to scale back on the water testing from seven days to five days.</p> <p>The County advocated for restoring public health workforce and infrastructure funding on May 16, 2024.</p>
<p><b>LAND USE AND ENVIRONMENT GROUP</b></p>	
<p><b>Proposal</b></p>	<p><b>County Impact</b></p>
<p><b>Environment</b> (<i>Governor’s May Revision Summary, pages 17-18</i>)</p>	
<p>Habitat Conservation Fund - Reduce \$45 million one-time in FY 23-24 and reduce \$20 million ongoing starting FY 24-25 by accelerating the sunset date for the Fund that serves to bring urban residents into park and wildlife areas, protects various plant and animals, and develops wildlife corridors and trails.</p>	<p>The County currently has two active grants through this program, totaling \$700,000. This funding helped implement the County’s Multiple Species Conservation Program and work to achieve the State’s 30x30 conservation goal. Elimination of this funding immediately jeopardizes the Spring Valley Stream Restoration Project, acquisitions of more habitat and habitat conservation, as well as future multi-benefit restoration projects.</p>
<p>Outdoor Equity Grants – One-time reduction of \$50 million in FY 23-24 for outdoor environmental education and access programs.</p>	<p>This funding reduction impacts the 40 outdoor/nature trips that are run through the San Diego (SD) Nights Program, serving 350 youth participants. Currently, SD Nights receives a \$147,000 grant for a three-year grant cycle (\$49,000 per year). Elimination of this funding jeopardizes the creation of any new programs that provide outdoor/nature-based opportunities for youth or underserved communities.</p>
<p>Cap and Trade Shift Funds - Shift \$1.7 billion in FY 24-25 to the Greenhouse Gas Reduction Fund and continues shifting \$3.6 billion over the next five years for climate programs, including transit, clean energy, zero-emission, and nature-based solutions.</p>	<p>Shifts in funding for climate programs may open grant funding opportunities for various County climate programs.</p>
<p>Vulnerable Community Toxic Clean-up – Reduction of \$136 million in FY 23-24 (\$268.5</p>	<p>This reduction could impact future grant applications for trash capture to reduce greenhouse gas emissions and limits available funding over the next three years. Limited funding</p>

<p>million over four years) to clean vulnerable communities.</p>	<p>may also impact our program’s overall ability to apply for grant funding and procure alternative funding sources for watershed protection projects, all while still required to comply with the State’s trash reduction amendments.</p>
<p><b>Transportation</b> (Governor’s May Revision Summary, page 18)</p>	
<p>Zero Emission Transit Capitol Programs – Reduction of \$143.9 million of grant funding to support counties efforts to implement the California Air Resources Board’s (CARB) Advanced Clean Fleets (ACF) regulations.</p>	<p>This funding is used to acquire Zero-Emission Vehicles (ZEV) that replace existing medium and heavy-duty vehicles. This funding is also used to build out the necessary charging infrastructure to implement the ACF regulations. Without this funding, the County may have to increase internal costs to achieve sustainability management plans or may have to defer compliance.</p>
<p>Active Transportation Program - An additional \$300 million reduction of resources to increase the use of active modes of transportation, such as walking and biking. This is in addition to the \$200 million reduction proposed in the Governor’s January Budget.</p>	<p>This reduction could impact future grant applications for improving sidewalks and bike lanes in underserved communities to reduce pedestrian and bicycle related collisions and implementation of the adopted Local Road Safety Plan.</p>
<p><b>Waste Diversion</b> (CSAC May Revision Budget Action Bulletin Summary, page 13)</p>	
<p>Compost Permitting Pilot Program - Reduction of \$6.7 million, leaving \$800,000 for grants to help local governments locate and permit small and medium sized compost facilities and implement SB 1383.</p>	<p>Reduced funding for this program would reduce opportunities to expand decentralized composting, our organic material processing infrastructure, and related initiatives on climate smart agriculture.</p>
<p><b>PUBLIC SAFETY GROUP</b></p>	
<p><b>Proposal</b></p>	<p><b>County Impact</b></p>
<p><b>Child Support</b> (Governor’s May Revision Summary, pages 9-10)</p>	
<p>Child Support Pass-Through to Currently Assisted CalWORKS Families – The May Revision includes statutory language that would make this program subject to a trigger by the Department of Finance, based on the availability of funding in spring 2026. Given the negative multiyear projection, this program is not included in the May Revision.</p>	<p>The impact of the delayed trigger for Child Support Pass-Through to Currently Assisted CalWORKs Families is unknown.</p>
<p><b>Fire Prevention and Protection</b> (CSAC May Revision Budget Action Bulletin Summary, page 12)</p>	
<p>Fire Prevention and Forest Resilience - Shifts \$26 million from FY 24-25 to FY 27-28 for major wildlife and forest resilience unit fire prevention projects.</p>	<p>May decrease grant funding opportunities to County departments in the future.</p>

<b>Juvenile Justice</b> (CSAC May Revision Budget Action Bulletin Summary, page 9)	
SB 203 Implementation - Increases one-time reimbursements by \$2.3 million to counties for costs associated with SB 203, which requires youth, 17 years of age or younger, to consult with legal counsel prior to interrogation and the delivery of Miranda rights.	Estimated \$0.3 million reimbursement to the Public Defender based on prior year receipts.
<b>Law Enforcement</b> (CSAC May Revision Budget Action Bulletin Summary, page 8)	
Organized Retail Theft Vertical Prosecution Grant Program - Reduction of \$3.6 million in funding for district attorneys to work on cases from the beginning of the process to the very end, maintaining a single point of contact for victims, witnesses, and law enforcement officials.	Reduction in funding may potentially lead to the loss of grant funding opportunities.
<b>Probation</b> (Governor's May Revision Summary, page 17)	
Post Release Community Supervision (PRCS) - Reduction of \$4.4 million one-time in FY 24-25 for county probation departments to supervise inmates that have been released from prison to a county agency.	This reduction would lead to an elimination of \$0.3 million in one-time funding included in the FY 24-25 CAO Recommended Operational Plan . The County receives an average \$1.6 million per year in funding from PRCS. This will be the first year in which this funding has not been made available since the initial award in FY 14-15.
Community Corrections Performance Incentive Grant - The January Budget proposal included \$113.6 million for probation departments. The updated projections are not included in the May Revision.	The January proposal led to an estimated decrease of \$1.9 million to the Probation Department from \$2.9 million to \$1.0 million. Probation does not anticipate a change from January and still anticipates a funding cut.  The County advocated for maintaining the SB 678 funding methodology on March 15, 2024.
<b>Public Defender</b> (May Revision General Fund Solutions tables from Department of Finance, page 7)	
CARE Court - Reduction of \$17.5 million from projected savings from the trial courts for the implementation of the CARE Act.	This reduction would lead to an estimated loss of \$0.3 million for the Public Defender based on prior years.