



Office of Administration, Policy, and
Intergovernmental Relations

San José City Council 04.04.23 Item 3.4

2023 Spring Intergovernmental Relations Report

Presenters:

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Team Support:

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2023 Spring Report

Legislative Priorities

Federal Highlights

- President's FY2024 Proposed Budget
- Priority Legislation

State Highlights

- Governor's 2023-2024 January Proposed Budget
- City Sponsored Legislation
- Priority Legislation

Advocacy Efforts

IGR By The Numbers

\$833 Million Brought to the Region

250+ Bills Actively Monitored

50+ Advocacy Letters

3 Sponsored Bills

3 Committee Comments

And...Dozens of Meetings with
Legislators and Agency Staff to
Advocate for San José

Legislative Priorities

(Approved by City Council December 2022)

- **Promote Safety and Vision Zero Initiatives**
 - Enterprise Priority reflected: Safer San José
- **Address Homelessness and Enable Affordable Housing**
 - Enterprise Priority reflected: Ending Homelessness
- **Pursue Funding to Advance Equitable, Sustainable and Resilient Infrastructure**
 - Enterprise Priorities reflected: Sustainable and Resilient City Infrastructure and Emergency Preparedness; Building the San José of Tomorrow with a Downtown for Everyone
- **Drive Impactful Climate Action and Unlock San José's 2030 Climate Smart Goals**
 - Enterprise Priority reflected: Sustainable and Resilient City Infrastructure and Emergency Preparedness
- **Relentlessly advocate for regional policy solutions that result in equitable outcomes and prosperity for San José families**
 - Enterprise Priority reflected: Clean, Vibrant, and Inclusive Neighborhoods and Public Life

Federal Highlights

President's FY2024 Proposed Budget

- President Biden released the \$6.8 trillion budget on March 9th
- Highlights:
 - \$5 trillion in new taxes over 10 years
 - Reduces the federal deficit by \$2.9 billion over 10 years
 - \$59 billion in mandatory funding and tax incentives to increase the affordable housing supply
 - \$21 billion in discretionary funding to support CHIPS activities
 - \$6 billion to support Ukraine
 - \$1.2 billion to support the Department of Energy's industrial decarbonization measures to combat climate change
 - \$500 million for the BART to Silicon Valley Phase II extension (dependent upon a full funding grant agreement being secured)
- It is widely expected that there will be tense budget negotiations with a closely divided Congress and that the actual budget may look very different.

Federal Highlights

Legislation

- National Defense Authorization Act
 - Signed by President Biden in December
 - Included the Water Resources Development Act of 2022, providing the Army Corps of Engineers funding and authorization for levee projects, and included language to restore cost-share for Valley Water's Shoreline Levee Phase 1 Project
- 2023 Consolidated Appropriations Act
 - Signed by President Biden in December
 - Federal government funded through September 2023
 - \$1.7 trillion bill included largest ever investment in non-defense funding at \$787 billion
- Federal Aviation Administration Reauthorization
 - Last authorized by Congress in 2018, will expire in September 2023
 - Will examine new entrants in airspace, including air mobility
- Debt Ceiling
 - Federal government taking extraordinary measures to prevent default on the nation's debt
 - Negotiations to increase debt ceiling are ongoing

State Highlights

Governor's 2023-24 January Proposed Budget

- IGR sent a letter to Governor Newsom ahead of January Budget and will send another ahead of the May Revise
- Forecasted budget shortfall of \$22.5 billion
- No deep cuts to ongoing programs
- Highlights:
 - **Homelessness & Housing:** \$1 billion for the fifth round of Homeless Housing, Assistance, and Prevention Program (HHAP)
 - **Supporting families:** \$3.5 million to provide naloxone to middle and high schools
 - **Public Safety:** \$564.4 million over three years to support local law enforcement efforts to address retail theft and other crimes program
 - **Transportation Cuts:** \$2 billion cut each year, over three years, for the Transit and Intercity Rail program; \$200 million reduction in the Active Transportation program

State Highlights

City Sponsored Legislation



SB 400 (Wahab): Termination Disclosure



AB 645 (Friedman): Automated Speed Enforcement



SB 8 (Blakespear): Firearms Liability Insurance

State Highlights

Priority Legislation

- Homelessness and Affordable Housing
 - **SB 634 (Becker): EIH CEQA Streamlining**
 - **SB 569 (Glazer): Taxation: Renter's Credit**
 - **SB 363 (Eggman): Mental Health and Substance Use Disorder Facilities Database**
 - **AB 1469 (Katra): Santa Clara Valley Water District (homelessness resources)**
- Safety and Vision Zero
 - **AB 251 (Ward): Vehicle Weight Safety Study**
 - **SB 719 (Becker): Law enforcement: radio communications**
- Equitable, Sustainable, and Resilient Infrastructure
 - **SB 410 (Becker): Powering Up Californians Act**
 - **AB 939 (Pellerin): Santa Clara Valley Water District (financing)**
- Climate Action and Climate Smart Goals
 - **SB 511 (Blakespear): Greenhouse Gas Emissions Inventory**
 - **SB 233 (Skinner): Electric Vehicles: bidirectional capability**
- Equitable Outcomes and Prosperity for Families
 - **SB 10 (Cortese): Student Health: Opioid Overdose Prevention and Treatment**
 - **SB 43 (Eggman): Conservatorship Reform**



Advocacy Efforts

Recent Partnership Wins:

- **\$742 million** in Transit and Intercity Rail Capital Program funds (\$375 million for BART to Silicon Valley Phase II and \$367 million for Caltrain Electrification)
- **\$91.2 million** for continuation of the Shoreline Levee Project to make progress on the completion of Reaches 4 and 5 that impact the Alviso neighborhood and the San José – Santa Clara Regional Wastewater Facility

IGR Team Continued Focus:

- Table growth at the state legislature on behalf of the City's two cardrooms, as approved by voters in Measure H (2020)
- Opposition to the Taxpayer Protection and Government Accountability Act (ballot initiative 21-0042)

Council Actions

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- ✓ Accept the Spring IGR Report
 - ✓ Reaffirm City positions in Federal Legislative Log
 - ✓ Reaffirm City positions in State Legislative Log
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