



TO: City of Cupertino
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 SUBJECT: 2024 Legislative Update
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The Legislature returned from interim recess on January 3, 2024, to start the second half of the 2023-24 Legislative Session. The 2024 Legislative Session has brought a lot of change to the Legislature. There's change in Legislative leadership from previous sessions, change in Chairs and Members of committees from previous sessions, change in the State's budget forecasts, and change in future legislative representation.

Legislators had until February 16, 2024, to introduce new bills in the second year of the 2-year Legislative Session. This year, the Legislature introduced 2,295 new bills, which includes 1,593 in the Assembly and 702 in the Senate. All bills are required to be in print for 30 days before they can be heard in Committee, which pushed most of the new bills to the middle of March or early April before they are heard in their first policy Committee.

On March 21, 2024, the Legislature left Sacramento for its week-long Spring Recess. They returned to a busy capitol on April 1, 2024. April is typically one of the busiest times of the year in the Legislature since most of the several thousand bills introduced at the beginning of the year have yet to be heard in policy committees. As such, the month is packed full of hearings and meetings as legislators sort through the bills and lobbyists meet with legislators in advance of those hearings.

LEADERSHIP CHANGES

Former Assembly Speaker, Anthony Rendon, and current President Pro Tem of the Senate, Toni Atkins, are both in their last year of office due to term limits. Because of this, both houses elected new leaders.

Assembly

Assembly Speaker, Robert Rivas, took over for former Assembly Speaker Anthony Rendon during the final weeks of the 2023 session. His influence is now taking shape and growing in the 2024 Legislative Session. Speaker Rivas has installed many new Committee Chairs and has appointed dozens of new Members to Committees. One early, and notable, change is that Speaker Rivas has directed Committee Chairs to allow all bills referred to Committee to be eligible for a hearing in that Committee, if the author of the bill so chooses. While this changes from the policy of the previous Speaker, who had allowed Chairs to simply decide whether a bill deserved a hearing or not, it is actually a return to long-

standing procedures of the Legislature whereby the authors could decide whether their bill is set for a hearing or not.

Senate

Late in the 2023 Legislative Session, the Senate elected Senator Mike McGuire to be the next President Pro Tempore of the Senate. He took over the Senate on February 5, 2024, thereby allowing all the two-year bills that needed to clear the house of origin to do so under the sitting leader and Committee Chairs.

Senator McGuire is a very active, hands-on Legislator. As a former lieutenant to President Pro Tem Atkins, he managed the workflow of the Senate and is in a constant state of motion, engaging with his colleagues and being “in the know” on the matters at hand. Senate President Pro Tempore McGuire also made changes to his leadership team and the makeup of the Senate Committees, including the Chairs.

ELECTORAL CHANGE

The 2024 Legislative Session will also bring change to the Legislature. This year, all 80 Assembly seats are up for reelection along with 20 of the 40 Senate seats. Of the 120 seats in the Legislature, there are 35 Members who are termed out in 2024. A majority of these 35 Legislators are seeking a different elective office, which might be the other house, Congress, or local elective office. For those running for a different office, some of these Legislators have found themselves running against another sitting Legislator for a new office. Every election cycle brings a modest amount of change to the Legislature. 35 termed out Members is a large number and how they legislate in their final months will be an interesting development.

BUDGET UPDATE

California is facing a significant budget deficit. The highly respected non-partisan Legislative Analyst’s Office (LAO) previously projected a \$58 billion deficit based on the Governor’s revenue projections. However, the Governor’s January budget proposal projected a \$38 billion deficit. In early February, the LAO released an update that predicts that by the time the Governor releases his May Revision to the budget, the state’s deficit is projected to be \$15 billion higher, ballooning to \$73 billion. On the other hand, State revenues came in \$1.16 billion higher than projected for the month of February, mainly from personal income taxes and corporation taxes. Even with slightly higher projections, the Governor and Legislature have their work cut out for them to balance the state’s budget.

In March, Senate Democrats unveiled their plan to take early action to address the state’s budget deficit. It is labeled as the “Shrink the Shortfall” plan, and it is the first step of an ongoing process to address the state’s budget deficit¹. Senator Wiener, chair of the Senate Budget Committee, said that the second step of the budget strategy will be unveiled later this spring, likely after California Gov. Gavin Newsom unveils his revised budget in May.

The Senate’s plan seeks to address between \$12-\$17 billion of the state’s budget shortfall while saving the more challenging fiscal decisions for later this spring when lawmakers have a more complete budget picture.

¹ <https://sbud.senate.ca.gov/>

The plan calls for \$3.3 billion in spending reductions over the next two years. Additionally, the plan also calls for \$4.7 billion in borrowing for those two fiscal years, \$3.9 billion in fund shifts, \$3.2 billion in delayed funding and \$2.1 billion in deferrals, for a total of \$17.1 billion in savings.

If the “Shrink the Shortfall” solutions are adopted, and the Gov uses about \$12.2 billion from the state Rainy Day Fund, Senate Democrats estimate the remaining deficit to be anywhere from \$8.6 billion to \$23.6 billion.

2024 Legislative Deadlines

February 16	Last day for bills to be introduced
April 26	Last day for policy committees to hear and report to fiscal committees fiscal bills introduced in their house
May 3	Last day for policy committees to hear and report to the Floor nonfiscal bills introduced in their house.
May 10	Last day for policy committees to meet prior to May 28.
May 17	Last day for fiscal committees to hear and report to the Floor bills introduced in their house. Last day for fiscal committees to meet prior to May 28.
May 20-24	Floor session only. No committee may meet for any purpose except for Rules Committee, bills referred pursuant to Assembly Rule 77.2, and Conference Committees.
May 24	Last day for each house to pass bills introduced in that house.
May 28	Committee meetings may resume
June 15	Budget Bill must be passed by midnight.
June 27	Last day for a legislative measure to qualify for the Nov. 5 General Election ballot
July 3	Last day for policy committees to meet and report bills. Summer Recess begins upon adjournment, provided Budget Bill has been passed.
August 5	Legislature reconvenes from Summer Recess.
August 16	Last day for fiscal committees to meet and report bills.
August 19-31	Floor session only. No committee may meet for any purpose except Rules Committee, bills referred pursuant to Assembly Rule 77.2, and Conference Committees.
August 23	Last day to amend bills on the Floor.
August 31	Last day for each house to pass bills. Final Recess begins upon adjournment