

SUBCOMMITTEE NO. 5

Agenda

Senator Laura Richardson, Chair
Senator María Elena Durazo
Senator Kelly Seyarto
Senator Aisha Wahab



Tuesday, May 20, 2025
9 a.m.
State Capitol – Room 112

Consultants: Nora Brackbill, Diego Emilio J. Lopez and Hans Hemann

ITEMS FOR DISCUSSION.....	3
5225 Department of Corrections and Rehabilitation.....	3
Issue 1: Overview, Population Projections, and Solutions	3
Issue 2: Capital Outlay and Facilities Overview.....	4
Issue 3: Health Care and Programming Overview	5
0559 Labor & Workforce Development Agency	6
7100 Employment Development Department.....	6
7350 Department of Industrial Relations.....	6
7501 Department of Human Resources (CalHR)	6
7900 California Public Employees’ Retirement System	6
7920 California State Teachers’ Retirement System	6
Issue 4: Overview of May Revision Proposals.	6
Control Sections 4.05 and 4.12.....	8
Issue 5: Update on State Operations Reductions and Vacant Position Eliminations	8
Control Sections 3.90 and 3.91.....	11
Issue 6: Employee Compensation and Collective Bargaining	11
ITEMS FOR COMMENT ONLY.....	14
5225 Department of Corrections and Rehabilitation.....	14
Issue 7: Community Corrections Performance Incentive Grant	14
5227 Board of State and Community Corrections	14
Issue 8: Overview of May Revision Proposals	14

Public Comment

Pursuant to the Americans with Disabilities Act, individuals who, because of a disability, need special assistance to attend or participate in a Senate Committee hearing, or in connection with other Senate services, may request assistance at the Senate Rules Committee, 1020 N Street, Suite 255 or by calling (916) 651-1505. Requests should be made one week in advance whenever possible.

ITEMS FOR DISCUSSION

5225 DEPARTMENT OF CORRECTIONS AND REHABILITATION

Issue 1: Overview, Population Projections, and Solutions

The May Revision proposes total funding of \$13.6 billion (\$13.2 billion General Fund and \$385.4 million other funds) for the California Department of Corrections and Rehabilitation (CDCR) in 2025-26, a slight decrease as compared to the Governor's budget. This includes \$4.1 billion General Fund for health care programs.

Adult Institution Population. The average daily adult incarcerated population is projected to be 91,471 in 2024-25 and 91,205 in 2025-26, both slight decreases compared to fall projections. This reflects a slower ramp up related to Proposition 36 compared to the fall projections, leading to a peak population of 92,179 in 2027-28. However, the population is still expected to decrease in the long-term, to 89,692 in June 2029.

Prison Closure. The May Revision reflects the closure of one additional prison by October 2026, resulting in savings of roughly \$150 million annually.

Operational Savings. The May Revision reflects additional savings of \$125 million General Fund in 2025-26, growing to \$635 million by 2028-29, through operational improvements.

Public Safety Radio Replacements. The May Revision withdraws the Governor's budget proposal for \$19.8 million ongoing General Fund for public safety radio replacements.

Increased Departmental Legal Costs. The May Revision includes \$4.3 million General Fund in 2025-26 and ongoing, to support increased departmental legal costs related to *Coleman* class action monitoring and legal representation from the Department of Justice.

Other Adjustments. The May Revision also includes:

- Reduction of \$691,000 General Fund in 2025-26 as compared to Governor's budget to adjust the updated funding methodology for food, due to adjusted population projections.
- Net-zero realignment of budget authority within CDCR programs and a reduction of \$192,000 to correct a miscoding from the 2019 Budget Act.
- Increase of \$357,000 General Fund in 2025-26 and ongoing related to utilities costs.

Staff Recommendation. Hold Open.

Issue 2: Capital Outlay and Facilities Overview

The May Revision reflects the following adjustments related to capital outlay and facilities.

Statewide Roofs Replacement Funding. The May Revision repurposes \$50.8 million in roof replacement funding from the 2023 Budget Act and \$62 million from the 2024 Budget Act for use on various statewide roof replacement projects and for kitchen repairs at two prisons that were damaged by roof leaks.

Statewide Fire Alarm replacements and Fire Watch. The May Revision includes \$37.3 million in 2025-26 and \$44.2 million in 2026-27 and 2027-28 to replace fire alarm control panels and systems at two institutions that require staff to patrol for fires, as mandated by the Office of the State Fire Marshal.

Solutions. The May Revision reflects the following solutions related to capital outlay and facilities to address the projected shortfall:

- Reduction of \$6 million General Fund in 2025-26 and \$25.4 million General Fund in 2026-27 related to the air cooling pilot, maintaining \$17.6 million General Fund in 2025-26 and \$20 million General Fund in 2026-27 for this purpose.
- Withdrawal of \$23.1 million one-time General Fund for accessibility improvements, which will be incorporated into CDCR's master planning process that is currently underway.
- Withdrawal of \$500,000 General Fund for statewide planning.

Staff Recommendation. Hold Open.

Issue 3: Health Care and Programming Overview

The May Revision reflects the following adjustments related to health care and programming.

California Advancing and Innovating Medi-Cal (CalAIM) Justice-Involved Initiative Program Support. The May Revision includes reimbursement authority of \$21.5 million in 2025-26 and \$11 million ongoing and 65 positions ongoing to support implementation of the CalAIM Justice-Involved Initiative and to account for federal reimbursements. The May Revision also includes a reduction of \$6.2 million General Fund in 2025-26, an increase of \$3.8 million General Fund in 2026-27, and a reduction of \$11 million General Fund ongoing.

San Quentin Rehabilitation Center. The proposed budget maintains \$7.8 million General Fund in 2025-26 and \$13 million General Fund in 2026-27 and ongoing to increase staffing, add and expand rehabilitative programs, and provide staff training for the San Quentin Rehabilitation Center and the new Educational and Vocational Center.

Statutory Changes. The May Revision includes statutory changes to (1) increase the ability for full-time incarcerated students to also hold a job or participate in programming, (2) broaden the pre-licensure employment waiver options for all mental health professionals employed by CDCR, and (3) revise the tuberculosis testing requirements for employees.

Family Liaison Services and Gender-Responsive Contract Costs. The May Revision includes \$2.6 million General Fund in 2025-26, 2026-27, and 2027-28 to fund increased costs for Family Liaison Services and Gender-Responsive, Trauma-Informed contract costs. The Family Liaison Services Program was established in 1980 and currently has ongoing funding of \$159,000 for CDCR to hire contract staff who act as a liaison between incarcerated people and their families and communities. CDCR is also required to contract with gender responsive experts to, among other things, design and implement evidence-based gender specific rehabilitative programs for female offenders and develop programs and training for department staff in female correctional facilities.

Solutions. The May Revision reflects a reduction of \$7.8 million one-time General Fund for COVID-19 mitigation costs as compared to Governor's budget, maintaining \$5 million for this purpose.

Staff Recommendation. Hold Open.

0559 LABOR & WORKFORCE DEVELOPMENT AGENCY
7100 EMPLOYMENT DEVELOPMENT DEPARTMENT
7350 DEPARTMENT OF INDUSTRIAL RELATIONS
7501 DEPARTMENT OF HUMAN RESOURCES (CALHR)
7900 CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
7920 CALIFORNIA STATE TEACHERS' RETIREMENT SYSTEM

Issue 4: Overview of May Revision Proposals

May Revision. The May Revision reflects the following adjustments:

Labor & Workforce Development Agency

Labor and Workforce Development Fund Loan. The May Revision includes a loan of \$400 million from the Labor and Workforce Development Fund to the General Fund.

Regional Coordination for Career Education. The May Revision includes a reduction of \$3 million one-time General Fund for the Labor and Workforce Development Agency in 2025-26 for the Labor and Workforce Development Agency to support evaluation of the expansion of regional coordination models for purposes of implementation of the Master Plan for Career Education. The Governor's January Budget included \$4 million one-time General Fund for this purpose, bringing the total investment to \$1 million with this reduction.

Employment Development Department (EDD)

Unemployment Insurance Trust Fund Loan Interest. The May Revision includes an increase of \$8.5 million one-time General Fund in 2025-26 to align with updated estimates for the annual interest payment on the state's Unemployment Insurance loan balance. This adjustment will bring the total estimated interest payment for 2025-26 to \$642.8 million General Fund.

Workforce Innovation and Opportunity Act. The May Revision includes an increase of \$20.4 million one-time in 2024-25 and an increase of \$119.6 million one-time in 2025-26 to align with anticipated federal Workforce Innovation and Opportunity Act funding that will be available to support various workforce development programs.

Department of Industrial Relations (DIR)

DIR Apprenticeship Training Grant. The May Revision includes an increase of \$18.2 million one-time from the Apprenticeship Training Contribution Fund for DIR to support apprenticeship training in construction and related trades. This is in addition to the \$3 million included in the Governor's January Budget for this purpose, bringing total investments up to \$21.2 million.

DIR Public Works Information Technology System Enhancements. The May Revision includes an increase of \$19.1 million Labor and Workforce Development Fund to continue modernization of DIR's Public Works information technology system.

California Department of Technology (CDT) Rate Increases. The May Revision includes \$1 million special fund to address rate increases for services provided to DIR by CDT.

Department of Human Resources (CalHR)

Telework Policy Move Trailer Bill Language. The May Revision includes trailer bill language that would repeal statutory language related to the State Employee Telecommuting Program (Chapter 3 (commencing with Section 14200) of Part 5 of Division 3 of Title 2 of the Government Code) and recasts those sections into a new chapter, with modifications.

Proposed changes include a revised definition of "telework" that means "...employees residing in California participating in a flexible work arrangement where employees divide their time between working remotely and reporting to the designated workplace."

California Public Employees' Retirement System (CalPERS)

CalPERS State Contributions. The May Revision includes a decrease of \$103.9 million in 2025-26 for state contributions to CalPERS relative to Governor's January Budget, Proposition 2. The May Revision estimates \$573 million in one-time Proposition 2 debt repayment funding in 2025-26 to further reduce unfunded liabilities of the CalPERS state plans.

California State Teachers' Retirement System (CalSTRS)

CalSTRS State Contributions. The May Revision includes an increase of \$7.2 million in 2025-26 for state contributions to CalSTRS, relative to Governor's January Budget, due to increases to the Defined Benefits Program and Supplemental Benefits Maintenance Account.

Staff Recommendation. Hold Open.

CONTROL SECTIONS 4.05 AND 4.12**Issue 5: Update on State Operations Reductions and Vacant Position Eliminations**

The 2024-25 Budget Act included two control sections, Control Section 4.05 and 4.12, aimed at reducing General Fund state operations and enhancing operational efficiencies across nearly all state agencies and departments to achieve savings in 2024-25, 2025-26 and ongoing.

Control Section 4.05 - State Operations Reductions. Control Section 4.05 provided the Department of Finance (DOF) with the authority to reduce departmental budgets for state operations by up to 7.95 percent to achieve savings of \$2.2 billion General Fund in 2024-25 and \$2.8 billion General Fund in 2025-26 and ongoing. The enacted budget did not assume any non-General Fund savings. The control section was designed to give flexibility to DOF to capture savings to address the General Fund deficit in 2024-25 and future years. Although the budget assumed a level of savings that could be achieved, it did not actually reduce departmental budgets. Instead, the reduction was made to the overall budget totals and remained “unallocated” to departments. Before allocating the reductions to specific departmental budgets, the control section required the administration to report specific information to the Legislature before requesting any implementation of any budgetary changes to departments’ funding levels. As required by the control section, on January 10, DOF revised its savings estimates down to \$1.5 billion (\$820 million General Fund) in 2024-25, and \$2 billion (\$1.2 billion General Fund) in 2025-26. However, the information provided to the Joint Legislative Budget Committee (JLBC) at that time was very limited and did not include any of the specific information required by the control section. On May 14, in concert with the May Revision and four months after it was required, DOF issued a more detailed report and requested authority to decrease spending levels by \$1.024 billion (\$605 million General Fund) in 2024-25 and \$1.6 billion (\$1.2 billion General Fund) in 2025-26, and ongoing, to implement savings achieved pursuant to Section 4.05. The amount of operational efficiencies departments were able to identify varied widely.

Control Section 4.12 – Vacant Position Eliminations. Control Section 4.12 established statewide administrative exercises led by DOF to achieve savings by limiting the ability of departments to fill vacant positions in 2024-25 and eliminating those vacant positions and the related funding in 2025-26. The control section applied to all state entities except the Legislature, Legislative Counsel, universities, and the judicial branch. The enacted 2024-25 budget assumed savings of \$1.5 billion (\$762.5 million General Fund) resulting from about 10,000 authorized positions being vacant in 2024-25. Like Control Section 4.05, Control Section 4.12 did not distribute savings or reduced position authority to departments. Instead, the reductions were made to the whole budget and were unallocated to departments. The budget specified that DOF would report and propose, as part of the Governor’s 2025-26 January Budget, the permanent elimination of vacant positions and associated funding to make the assumed savings ongoing beginning in 2025-26. While the administration technically complied with the January 10 reporting requirement, the information provided to the JLBC was limited and did not include the detailed information required pursuant to the control section.

On May 14, DOF finally issued a more detailed notification, four months after it was required, and requested authority to decrease spending levels by \$502 million (\$195 million General Fund) in 2024-25 and \$490 million (\$182 million General Fund) and eliminate 6,002 positions in 2025-26, ongoing, to implement savings achieved pursuant to the control section.

Below is a chart prepared by the LAO that shows the changes of the estimated saving associated with Control Sections 4.05 and 4.12:

Evolution of Assumed Combined Savings under Control Sections 4.05 and 4.12 (in billions)

	2024-25		2025-26	
	General Fund	All Funds	General Fund	All Funds
<i>Savings Assumed in 2024-25 Enacted Budget</i> ⁽¹⁾	2.9	3.7	3.6	4.3
Savings Identified In January 10, 2025 Report ⁽²⁾	1.0	2.0	1.5	2.5
Savings Identified In May 14 JLBC Reports ⁽³⁾	0.8	1.5	1.4	2.1

⁽¹⁾ The enacted 2024-25 budget included both Control Sections 4.05 and 4.12. The final budget bill language included reporting requirements under both control sections for the administration to report the conclusion of its work from the fall with departments as to how the savings would be achieved and which specific positions would be eliminated. In the case of Control Section 4.05, the final budget bill language specified that the savings would be "up to" 7.95 percent reductions.

⁽²⁾ The January 10, 2025 report indicated that roughly 6,500 vacant positions would be eliminated under Control Section 4.12. The report included savings that the administration has since indicated will not be achieved to address the fire response in Southern California. (The report also identified savings resulting from trial courts; however, these savings are not the result of Control Section 4.05 and so are not reflected in this figure.)

⁽³⁾ Does not reflect restoration of UC/CSU funding reflected outside of CS 4.05 and CS 4.12 in May Revision.

Little Information then Late Information. The administration was supposed to provide the Legislature with very detailed information about how it intended to implement the efficiencies and elimination of vacancies by January 10, 2025. For Control Section 4.05 the report was supposed to include "how the reduction in state operations expenditures was achieved" by reporting by department and program the funding source and magnitude of any changes to departments' budgets pursuant to the control section. For Control Section 4.12, DOF was required to report specific information to the JLBC and to the exclusive bargaining representatives of the state's 21 collective bargaining units. Specifically, for each position proposed to be eliminated in 2025-26, DOF was required to report (1) the department and program associated with the eliminated position, (2) the job classification of the eliminated position, (3) the savings associated with the eliminated position, and (4) the total amount of savings associated with the eliminated positions.

On January 10, the administration submitted a letter to the JLBC that included a two-page list organized by department that identified the "General Fund," "Other Funds," and "Total" savings identified in 2024-25 and 2025-26 for each state department. The report did not indicate which specific programs or funding sources were affected by the identified savings or any of the other detailed information that was required. According to the LAO, the list of identified savings that the administration reported to the Legislature at that time provided very high-level information and did not fully meet the reporting requirements specified under the control sections. There was

no information about specific funding sources, affected programs, or affected job classifications as was required by the control sections.

On May 14, in concert with the May Revision, more detailed information was eventually issued, giving the Legislature little time to evaluate the impact of the proposed reductions on departments and programs. If the information had been provided when it was required, the budget subcommittees would have had the opportunity to understand how departments arrived at the proposed reductions during their spring hearings.

General Fund v. Special Funds. The two control sections were primarily intended to capture savings to address the General Fund deficit in 2024-25 and future years. As mentioned above, the enacted budget did not assume any non-General Fund savings associated with state operations. However, in the January letter to the Joint Legislative Budget Committee the administration's estimates included a significant reduction in non-General Fund spending. In the May report, the revised savings showed lower overall savings, still split between General Fund and non-General Fund sources.

Questions remain about the impact of the cuts on special funded programs. According to the LAO, special funds are created to fund a specific purpose and are supported by taxes and fees levied on payors who receive the service supported by the fund. With little opportunity to review the reduction, it is unclear what lower spending from these special funds has on fees and other revenues that support the affected special funds. For some departments, including those that are responsible for implementing public health and safety standards, protecting environmental quality and natural resources or enforcing water and air quality measures, a majority of their revenue is made up of many special funds. The question arises as to how the level of service will be impacted by the efficiency cuts and vacancy eliminations especially considering some of these departments have struggled to have the funds and staffing necessary to meet their goals and missions.

The Legislature will need to approve the proposed state operations reductions and the vacant position eliminations as part of the 2025-26 Budget Act.

Staff Recommendation. Hold Open.

CONTROL SECTIONS 3.90 AND 3.91**Issue 6: Employee Compensation and Collective Bargaining**

The Ralph C. Dills Act requires the state to collectively bargain with the exclusive representatives of employee groups (i.e., bargaining units) regarding wages and working conditions, and to define negotiated agreements in memoranda of understanding (MOUs). Statute requires that any MOU or significant change to an MOU between the state and a bargaining unit be ratified by the Legislature.

In total, there are 21 collective bargaining units (BUs) that represent the nearly 220,000 employees that work for the State of California.

There are seven state employee bargaining units currently in negotiations whose contracts expire in July 2025. They include the following:

- BU 2 – California Attorneys, Administration, Law Judges and Hearing Officers in State Employment (CASE)
- BU 6 – California Correctional Peace Officers Association (CCPOA)
- BU 9 – Professional Engineers in California Government (PECG)
- BU 13 – International Union of Operating Engineers (IUOE)
- BU 16 – Union of American Physicians and Dentists (UAPD)
- BU 18 – California Association of Psychiatric Technicians (CAPT)
- BU 19 – American Federation of State, County and Municipal Employees (AFSCME) – Health and Social Services/Professionals

There are 14 BUs whose contracts expire in future years, all of which include collectively bargained pay increases scheduled to take effect on July 1, 2025. They include the following:

- BUs 1, 3, 4, 11, 14, 15, 17, 20, and 21 – State Employees International Union (SEIU) – General salary increase of 3% effective July 1, 2025 with an additional 1% if the Director of the Department of Finance determines that there is sufficient excess funding to fully fund the cost of a 4% increase at the time of the May Revision. (Contract expires June 30, 2026.)
- BU 5 – California Association of Highway Patrolmen (CAHP) – A general salary increase as required pursuant to Government Code section 19827 effective July 1, 2025. (Contract expires June 30, 2027.)
- BU 7 - California Statewide Law Enforcement Association (CSLEA) – A general salary increase of 2% effective July 1, 2025. (Contract expires June 30, 2026.)
- BU 8 - CAL FIRE Local 2881 – A general salary increase of 2.5% effective July 1, 2025 (Contract expires June 30, 2026.)

- BU 10 - California Association of Professional Scientists (CAPS-UAW) – A special salary increase of 3% on July 1, 2025. (Contract expires July 1, 2027.)
- BU 12 - International Union of Operating Engineers (IUOE) – Special salary top step increase of 4% on July 1, 2025. (Contract expires June 30, 2026.)

Control Sections 3.90 and 3.91. The May Revision proposes the addition of two new control sections and a reduction in employee compensation totaling \$767 million (\$283 million General Fund) in 2025-26.

The May Revision adds Control Section 3.90 that would provide the Director of Finance with the authority to make reductions to employee compensation achieved through collective bargaining. However, if an agreement is not reached by July 1, 2025, the Director would have the authority to reduce compensation for those bargaining units that have failed to reach an agreement. This new control section applies to all 21 BUs - the seven bargaining units with contracts that expire on July 1, 2025 and are currently in negotiations and the 14 bargaining units with existing MOUs that expire in future years.

In addition, the May Revision proposes Control Section 3.91 which would suspend collectively bargained salary increases that are scheduled to become effective during fiscal year 2025-26. This new control section would impact the 14 BUs that have existing contracts that expire in future years and the raises they are scheduled to receive on July 1, 2025. The \$767 million (\$283 million General Fund) in savings proposed in the May Revision is generated by freezing employee compensation at existing salary and wage levels and not implementing the collectively bargained increases scheduled for July 1, 2025.

The two new control sections do not impact negotiated increases in health care premiums and enrollment for state employees for the 2026 calendar year.

Ratification by the Legislature? Typically, statute requires that any MOU or change to a MOU between the state and a bargaining unit to be ratified by the Legislature. It is unclear how reductions in employee wages and salaries under Control Section 3.90 will be approved by the Legislature if the administration does not reach agreements with all of the BUs by July 1. Control Section 3.90 states:

“If a reduction in employee compensation is not achieved through collective bargaining agreements by July 1, 2025, the Director of Finance, upon agreement with the Legislature on this act, shall reduce employee compensation for members of all bargaining units without such a collective bargaining agreement.”

The phrase “upon agreement with the Legislature on this act” is ambiguous and does not specify what “agreement” means. It is unclear if this provision is a delegation of the Legislature’s authority or would still require the ratification of any changes to existing or expired MOUs.

Personal Leave Program/Furloughs? Control Section 3.90 provides little detail about how reductions to employee compensation to existing and expiring MOUs will be achieved. Because it is unknown how much savings is anticipated with the implementation of this section, it is unclear what the administration plans to propose in the way of salary and wage reductions. In the past, the administration has negotiated Personal Leave Programs (PLPs) with the BUs. According to the California Department of Human Resources, the PLP was established in 1992 to achieve savings in employee salary costs during a fiscal crisis. In 2003, 2010, 2012, and 2020 PLP was reinitiated to assist in achieving budget savings to improve the state's ability to meet its financial obligations. The most recent implementation of the PLP was effective July 1, 2020. This was in response to the economic crisis caused by the COVID-19 pandemic. As a result of the state's improved fiscal condition, effective July 1, 2021, the PLP 2020 pay reduction and accrual of leave credits ended. It is unclear if a PLP or some sort of furlough program would be used to achieve savings.

Freezing Salaries and Wages. Control Section 3.91 will freeze employee compensation for those bargaining units that have contracts that expire after July 1, 2025 and include negotiated salary and wage increases, including those that reached new multi-year agreements with the state during the current fiscal year. This new control section could allow for pay suspensions without any negotiation between the BUs and the administration, and does not require Legislative ratification of a new or amended MOUs between BUs and state.

Staff Recommendation. Hold Open.

ITEMS FOR COMMENT ONLY

5225 DEPARTMENT OF CORRECTIONS AND REHABILITATION

Issue 7: Community Corrections Performance Incentive Grant

The May Revision contains \$127.9 million General Fund in 2025-26 to support the Community Corrections Performance Incentive Grant SB 678 (Leno), Chapter 608, Statutes of 2009, which provides incentives for counties to reduce the number of felony probationers sent to state prison. The Governor's budget proposed an updated the methodology for calculating the payments.

Staff Recommendation. Hold Open.

5227 BOARD OF STATE AND COMMUNITY CORRECTIONS

Issue 8: Overview of May Revision Proposals

The May Revision includes \$574.6 million for the Board of State and Community Corrections (BSCC), including \$230.6 million for infrastructure. Significant adjustments are outlined below.

Proposition 47 State Savings. The Administration estimates net savings of \$91.5 million General Fund in 2025-26 associated with Proposition 47, the Reduced Penalties for Some Crimes Initiative (2014). This is an increase of \$3.2 million compared to the Governor's budget.

Adult Reentry Grant Reappropriation. The May Revision includes a reappropriation from June 30, 2027, until June 30, 2029 of \$2.9 million originally appropriated in the 2024 Budget Act for the administration of the Adult Reentry Grant Program.

Suitability of Facilities for the Confinement of Juveniles. The May Revision includes statutory changes related to the suitability of facilities for the confinement of juveniles. The statutory changes requested would authorize BSCC to bring a civil action when it finds a juvenile detention facility unsuitable. These changes would also allow a superior court to order specified relief, including corrective action or injunctive relief, for a facility that fails to meet the state's minimum standards for operating a juvenile detention facility. This issue is being heard in Subcommittee #3 on Health and Human Services, as it impacts various departments and programs under both subcommittees.

Changes to Strengthen Cannabis Enforcement. The May Revision includes statutory changes that would authorize the BSCC's Proposition 64 Public Health and Safety Grant Program, which is funded through Allocation 3 of the Cannabis Tax Fund, to award grants to local governments that prohibit cannabis cultivation if they authorize retail cannabis sales and would require BSCC to prioritize grants to be directed to local illicit cannabis enforcement efforts. This issue is being heard in Subcommittee #4 on State Administration and General Government.

Staff Recommendation. Hold Open.