



Legislation You Should Know About

Highlights of the 2022 Legislative Year

State Budget

California adopted a record state budget of \$308 billion for 2022-23 including:

Health Access and historic Medi-Cal expansion – California became the first state in the nation to extend the state version of Medicaid (Medi-Cal) to all those eligible, regardless of immigration status– a change benefiting over 750,000 people. Another important advance was the creation of a state Office of Health Care Affordability to address costs across the entire health care system and set enforceable cost targets for health care affordability while also aiming to improve quality and equity. The budget also ensured continuous Medi-Cal coverage for children zero -5 to keep them from falling through the cracks during these vulnerable years.

Historic investments in low-income children and families including:

HOPE Accounts – a new program of trust fund accounts for low-income children who have lost a parent to COVID and for children who have experienced long- term foster care. These HOPE trust accounts will help them navigate the college years and early adulthood and will serve as a tool to narrow the racial wealth gap.

Increased CalWORKs grants to at last bring all children out of deep poverty (defined as less than 50% of the federal poverty level).

Expanding the Young Child Tax Credit to families where the adults are fulltime caregivers with no earned income. This is the latest expansion of California's Earned Income Tax Credit/Young Child Tax Credit, refundable credits considered to be one of the most effective ways to address poverty.

As of the end of 2021, over four million low-income people have benefited from CalEITC, and over \$1B in tax credits per year is now being received by low-income families.

Creating a Foster Youth Tax Credit for young adults who grew up in the foster care system.

Significant new investments in childcare infrastructure and reimbursement rates, and a continued waiver of fees for low-income families until 2024.

\$2 billion multiyear investment in affordable housing; over \$2 billion to implement School Meals for All, providing breakfast and lunch to all public school students; and expanding the California Food Assistance Program to Californians aged fifty-five and over regardless of immigration status.

Climate Change - The Legislature and governor also responded to activist calls for significant investments in climate resilience in the 2022-23 state budget. The Department of Finance reports an expansion of investments by \$39 billion “on top of the historic \$15 billion in the previous state budget, for one-time projects over a five-year period. This includes accelerating the transition to Zero Emission Vehicles, clean energy, climate-friendly transportation projects, drought and wildfire resilience, sea level rise mitigation and nature-based solutions and includes investments targeted to disadvantaged communities.”

Bills Signed and Vetoed

By the first of October 2022, Gov. Newsom had acted on all bills sent to him by the Legislature in the final weeks of the session. In total, the Legislature sent him 1,166 bills - he signed 997 and vetoed 169. Vetoes were often justified with a message that indicates concern about revenue: “With our state facing lower-than-expected revenues over the first few months of this fiscal year, it is also important to remain disciplined when it comes to spending, particularly spending that is ongoing.”

Economic Justice

A number of bills and budget items benefiting workers, particularly low-income workers, were before the Legislature this year. And there were important successes: **SB 951** means that the future wage replacement rate for lower-wage workers taking state disability or family leave will be raised to 90%. Workers will have more opportunity to take advantage of programs they are currently paying into through their paychecks to care for themselves or family members since they will have the financial means to support their families. COVID-19 supplemental paid sick leave was also extended through 2022 as a result of intense lobbying efforts.

Low-wage restaurant workers will now have more say in the conditions of their work with **AB 257**, the FAST Recovery Act, the first of its kind legislation in the nation to set up a statewide council that brings together workers, restaurant management, and government to address the issues of labor in the fast food sector.

Workers will now be able to access both bereavement leave and leave to care for people whom they designate to be in their “chosen family,” expanding the definition of family members, as a result of **AB 1949** and **AB 1041**. **SB 1162** will help close the gender and

race wage gaps by increasing pay transparency – employers will now report pay data broken down by race, ethnicity and sex as well as providing pay scales on all job postings.

Despite important wins in health care access in the state budget, **SB 944**, which would have reduced the cost of health coverage by eliminating deductibles and reducing copays for hundreds of thousands of Covered California enrollees with silver plans, was vetoed by Gov. Newsom.

Justice Reform

The governor signed **AB 2167**, by Ash Kalra, a bill that requires the court to consider alternatives to incarceration at sentencing and states that it is the intent of the Legislature that the disposition of any criminal case use the least restrictive means available. The bill was cosponsored by FCLCA, Initiate Justice and the National Association of Social Workers—California Chapter.

AB 256, the California Racial Justice Act for All, also by Ash Kalra, was also signed into law. This bill makes the California Racial Justice Act retroactive.

The governor also signed **SB 1008**, by Josh Becker, to require free phone calls from state prisons and juvenile facilities. Amendments were taken to remove the free phone calls requirement for local jails, where commissions paid by family members of the incarcerated are collected by phone providers and paid into Inmate Welfare Funds controlled by local Sheriffs.

AB 2632, by Chris Holden, which placed additional restrictions on the use of solitary confinement and prohibit it for vulnerable populations in all state detention facilities, was vetoed by Gov. Newsom. The governor's veto message said that the bill was overly broad and could interrupt rehabilitation efforts for other incarcerated persons. The bill was not helped by a Senate Appropriations Committee's analysis that the bill would cost over \$1 billion to implement, whereas the Assembly Appropriations Committee estimated the cost only in the tens of millions of dollars.

AB 937, the Vision Act, by Assembly Members Wendy Carrillo, Ash Kalra and Miguel Santiago, would protect individuals deemed eligible for release from jails and prisons by prohibiting transfers to Immigration and Customs Enforcement. Despite a sustained and intense lobbying effort by Carrillo and advocates, the bill came up several votes short in the Senate and did not advance. **SB 300**, by Dave Cortese, to reform California's felony murder rule so that defendants who did not kill or did not intend to kill during the commission of a felony, could not be sentenced to death or life without parole, did not have enough votes to pass the Assembly and did not advance. Because SB 300 would change an initiative, it required a two-thirds supermajority to pass.

Environment

Gov. Newsom signed **SB 54**, a landmark measure to regulate plastic pollution. A compromise was reached on **SB 54**, by Ben Allen, which mandates the plastics industry to meet source reduction and recycling targets. By 2032, all packaging must be

recyclable or compostable, and the industry will pay \$5 billion over 10 years to mitigate plastic pollution.

With less than a month to go in the session, Gov. Newsom laid out five environmental priorities, which included among other things, extending the life of the Diablo Canyon Nuclear Power Plant for another five years and a new requirement that new oil drilling not take place within 3,200 of a sensitive site, such as a home, school, day-care-center, playground, hospital or nursing facility. Setbacks have long been a priority for the environmental justice community, and the governor signed **SB 1137**, by Sens. Lena Gonzalez and Monique Limón.

Members who supported **SB 1137** have been taking considerable political heat from the oil and gas industry, which just received permission from the Secretary of State to launch a referendum in 2024 to invalidate the law. In lieu of this and with the upcoming special session to consider a windfall tax on oil company profits, the oil and gas industry, along with the State Building Trades and Construction Council, will undoubtedly amplify their presence in the Capitol and at the ballot.

The governor also signed **SB 846**, by Sen. Bill Dodd and Assembly Member Jordan Cunningham as a principal co-author, to extend the life of Diablo Canyon Nuclear Power Plant, which was set to fully expire in 2025, to 2030. The bill received bipartisan support in both houses. Gov. Newsom claims the electricity generated by Diablo Canyon is needed to ensure that the lights stay on while the state transitions to renewable energy sources.

As noted above, the Legislature also passed a historic \$54 billion climate budget, which, when combined with federal funds from the infrastructure bill and inflation reduction act, means California is poised to make significant investments in reducing climate change. The governor also signed **SB 1314**, which will prevent captured carbon from being used for enhanced oil recovery and **AB 1757**, by Cristina Garcia, to require the state Natural Resources Agency to develop carbon capture sequestration targets from working lands.

Gov. Newsom signed **AB 1817**, by Phil Ting and Cristina Garcia, to ban PFAS “forever chemicals” in textiles beginning in 2025. He also signed **AB 2771**, by Laura Friedman, to prohibit PFAS in cosmetic products beginning in 2025. **AB 1857**, by Cristina Garcia, eliminates the diversion credit for municipal waste incineration was signed. The governor vetoed **AB 2146**, by Rebecca Bauer-Kahan, to prohibit nonagricultural uses of neonic pesticides, which have been linked to declining populations of pollinators. In his veto message, the governor indicates that the Department of Pesticide Regulation is finalizing regulations on agricultural uses and will begin evaluating nonagricultural uses next year.

Gov. Newsom also vetoed **SB 222**, by Bill Dodd, which requires the State Water Resources Control Board to develop a water rate assistance program for low-income ratepayers. In his veto message, the governor indicated that the measure provides no funding source and that the Legislature sent bills totaling \$30 billion in new commitments while state revenues are expected to decline over the first few months of the new fiscal year.

Firearms and Gun Violence

Gun violence has surpassed auto accidents as the leading cause of premature death among children in the U.S. While the U.S. Supreme Court recently invalidated a New York state law that requires licensing for concealed carry permits, California has enacted several reform measures this session.

Gov. Newsom signed a package of firearms bills in the summer of 2022. **AB 1621**, by Assembly Members Mike Gipson, Al Muratsuchi and Phil Ting, prohibits the sale, possession and purchase of unserialized components to build untraceable ghost guns, which have become prevalent in the commission of homicides. **AB 2571**, by Rebecca Bauer-Kahan and Mike Gipson, prohibits the marketing of firearms to minors. The governor also signed **AB 1594**, by Phil Ting. This bill creates civil liability for gun manufacturers and would allow survivors of gun violence, local governments and the State Attorney General to pursue legal actions.

The governor also signed **AB 452**, an important bill that requires school districts to notify parents and guardians of students of California's safe firearm storage laws at the beginning of each school year.