
SENATE COMMITTEE ON GOVERNANCE AND FINANCE

Senator Anna M. Caballero, Chair

2023 - 2024 Regular

Bill No: AB 972
Author: Maienschein
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Consultant: Goldberg

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Tax Levy: No
Fiscal: Yes

LOCAL ASSISTANCE AND GRANT PROGRAM STREAMLINING WORKGROUP

Requires the Governor's Office of Planning and Research to convene a statewide, cross-agency Local Assistance and Grant Program Streamlining Workgroup.

Background

The Governor's Office of Planning and Research (OPR) is the state's chief planning agency and advises local governments on their planning responsibilities. It serves as a resource for land use planning and provides guidance on the California Environmental Quality Act. In recent years, it has begun working on climate risks and high-road economic development issues.

As a result of AB 2252 (Limón, 2018), the California State Library (CSL) created a centralized location where entities seeking state grants could find information on all state-related grant programs. The law required the CSL to create an interactive website identifying every grant administered by the state – and required state agencies to register every grant they administer with the CSL before opening a solicitation or award process for distribution of the grant.

According to a report issued by the CSL in 2022, it collaborated with more than 50 state agencies, departments, commissions, and bureaus that award grants or loans on a competitive or first-come, first-served basis. Fifty-nine state agencies posted available grants on the website and beginning later this year, post-award data will be available to show where grants have been distributed throughout California.

Another coordinated grant program effort was created in 2020 by AB 434 (Daly). This measure aligned six rental housing programs with the Multifamily Housing Program (MHP), to allow the state Department of Housing and Community Development (HCD) to implement a single application and scoring system for making coordinated awards under all seven programs.

The author hopes to use the work group created by this bill to develop a similar coordinated approach to help local governments more easily apply for environmental and natural resources-related grant programs, as well as create a more centralized system for providing technical assistance to local governments.

Proposed Law

Assembly Bill 972 requires OPR, in consultation with the League of California Cities, to convene a workgroup by January 1, 2025, to centralize local assistance and develop a coordinated system to manage available state and federal funding. The workgroup must:

- Prioritize the unique needs of under-resourced and disadvantaged communities.
- Consider approaches to achieve a more equitable distribution of funding.
- Be appointed by OPR and serve without compensation.
- Meet as often as is necessary to develop robust, informed plans and recommendations.
- Include, but not be limited to, the following members:
 - OPR, which will chair the workgroup
 - The California Environmental Protection Agency (CalEPA)
 - The Natural Resources Agency
 - The Department of Finance (DOF)
 - The Department of Technology
 - A city with a population of fewer than 50,000
 - A city with a population between 50,000 and 149,999
 - A city with a population between 150,000 and 249,999
 - A city with a population of more than 250,000
 - A rural city
 - A suburban city
 - An urban city
 - The League of California Cities
- Disband as of June 30, 2026.

The workgroup members may include, but not be limited to, other partners or representatives of entities involved in grant application development, project management, implementation, and monitoring.

The workgroup must, at a minimum, consider developing plans and recommendations that accomplish any of the following:

- Creating, coordinating, and implementing an integrated, statewide, centralized program for assistance and training to local governments in grant application development, project management, implementation, and monitoring.
- Identifying substantially similar state climate resiliency and other environmental or natural resources programs to enable the state to create a single application, with aligned scoring criteria and deadlines, for making coordinated awards under all programs.
- Identify information technology solutions to improve processes, support uniform applications, and manage data.

The workgroup must develop a report that includes the workgroup's findings, plans, and recommendations by June 30, 2026 that includes:

- Short-term solutions that can be accomplished by January 31, 2027.
- Medium-term solutions that can be accomplished by July 1, 2027.
- Long-term solutions that can be accomplished by July 1, 2028

The workgroup must post its report on OPR's internet website and provide it to DOF and relevant policy and fiscal committees of the Legislature. Subject to appropriation by the Legislature, OPR and any other relevant state entities are required to implement the workgroup's recommendations pursuant to the deadlines noted above.

State Revenue Impact

No estimate.

Comments

1. Purpose of the bill. According to the author, “At the state level, local assistance efforts are largely conducted by individual grant programs, and, although centrally located via the California State Library’s Grants Portal, nearly all state grant programs have unique and widely varied procedures for application and scoring. Further, although best practices for local assistance have been developed and published by the Strategic Growth Council, local assistance efforts are not uniformly conducted across state departments, offices, boards, commissions, and agencies.

“Local municipalities often lack the resources, staff capacity, implementation experience, and technical expertise to apply for and secure competitive statewide targeted grant funding. Additionally, like other sectors, California cities are facing staffing shortages, a wave of early retirement, and other workforce stressors on existing municipal staff. Streamlined application processes and robust, uniform local assistance from the state is crucial for cities to effectively access state funding opportunities.”

2. Membership has its privileges. The measure creates a workgroup with a very detailed set of members from state agencies and city governments. While the bill does allow other members to be added, it does not guarantee seats for county or special district officials. More broadly, the Committee may wish to consider whether the workgroup should be expanded or whether the bill should simply direct OPR to establish a workgroup and give it free reign to appoint the membership.

To ensure counties and special districts are represented on the workgroup, the Committee may wish to add the following entities to the list ending on Page 3, Line 24, as well as make other necessary conforming changes to the document:

- A county with a population of fewer than 75,000,
- A county with a population between 75,000 and 249,999.
- A county with a population between 250,000 and 749,999.
- A county with a population of more than 750,000.
- A rural county.
- A suburban county.
- An urban county.
- The California State Association of Counties.
- The California Special Districts Association.

3. Automatic implementation without legislative review? The bill requires, subject to appropriation, OPR and other relevant state entities to implement all of the workgroup’s recommendations contained in the report delivered to the Legislature. The Committee may wish to consider if this is appropriate, given there isn’t a way to forecast what those recommendations may be. One way to clarify this and still tie any implementation of recommendations to a legislative appropriation would be to re-craft the language on Page 4, Lines 22-25 to read:

(h) The Office of Planning and Research and any other relevant state entities shall not implement the workgroup's recommendations pursuant to the deadlines included in subdivision (f) absent an appropriation by the Legislature.

Assembly Actions

Assembly Local Government Committee: 8-0
Assembly Appropriations Committee: 11-0
Assembly Floor: 80-0

Support and Opposition (6/23/23)

Support: League of California Cities (Sponsor)
City of Norwalk
City of San Marcos
City of Thousand Oaks

Opposition: None submitted.

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