SENATE RULES COMMITTEE

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THIRD READING

Bill No:SJR 6Author:Cortese (D), Richardson (D) and Stern (D)Introduced:4/24/25Vote:21

SENATE BUS., PROF. & ECON. DEV. COMMITTEE: 7-2, 6/23/25
AYES: Ashby, Archuleta, Arreguín, Grayson, Smallwood-Cuevas, Umberg, Weber Pierson
NOES: Choi, Strickland
NO VOTE RECORDED: Menjivar, Niello

SUBJECT: Federal funding for essential state infrastructure, technology, and economic development

SOURCE: Author

DIGEST: This resolution urges President Donald J. Trump and Congress to protect and maintain the historic investments made possible by the Bipartisan Infrastructure Law, the CHIPS and Science Act, and the Inflation Reduction Act of 2022.

ANALYSIS:

Existing federal law:

 The Bipartisan Infrastructure Law, also known as the Infrastructure Investment and Jobs Act of 2021, authorizes approximately \$1.2 trillion in federal spending, including \$110 billion for repairing and upgrading highways, bridges and major infrastructure projects, \$39 billion for the modernization of public transit, with \$66 billion invested in railway infrastructure programs within the Department of Transportation, \$550 billion in new investments including \$65 billion to expand broadband access, particularly in underserved and rural areas, \$55 billion to replace lead pipes and improve water systems nationwide and \$73 billion to modernize the electric grid and support clean energy initiatives, among numerous other provisions. (Public Law 117-58)

- 2) The Creating Helpful Incentives to Produce Semiconductors (CHIPS) Act of 2022 provides approximately \$280 billion in new funding for the CHIPS for America fund to support the domestic research and manufacturing of semiconductors in the United States for which it appropriates \$52.7 billion, includes \$39 billion in subsidies for chip manufacturing in the U.S. and \$13 billion for semiconductor research and workforce training, invests \$174 billion in public sector research in science and technology including, among other provisions, advancing human spaceflight, quantum computing, biotechnology, and experimental physics. (Public Law 117-167)
- 3) The Inflation Reduction Act of 2022 provides various tax credits and incentives and reforms, including allowing the government to negotiate certain Medicare prescription drug prices, caps out-of-pocket insulin costs at \$35 per month, extends enhanced Affordable Care Act premium subsidies, imposes a 15 percent minimum tax on corporations with profits exceeding \$1 billion, introduces a 1 percent excise tax on corporate stock buybacks, allocates \$80 billion to the IRS to enhance tax enforcement and compliance efforts, provides tax credits for various clean energy efforts like home improvements and electric vehicles, funds research and development in clean energy technologies, and allocates \$369 billion for clean energy initiatives through 2032, aiming to reduce greenhouse gas emissions by 40% below 2005 levels by 2030 and achieve net-zero emissions by 2050. (Public Law 117-169)

This resolution:

- 1) Urges President Donald J. Trump and Congress to protect and maintain the historic investments made possible by the Bipartisan Infrastructure Law, the CHIPS and Science Act, and the Inflation Reduction Act of 2022.
- 2) Makes various declarations about the importance of federal investments and highlights the benefit to California and specific California programs from federal action. States that investments made possible by the Bipartisan Infrastructure Law, the CHIPS and Science Act, and the Inflation Reduction Act of 2022 are expected to deliver tens of billions of dollars of direct funding to support the households, infrastructure, and economy of California, and additionally make hundreds of billions of dollars available through competitive grant programs, rebates, and tax incentives to California consumers and businesses. States that the loss of these investments will directly harm

residents, households, businesses, the environment, and the infrastructure of California that Californians rely on.

- 3) Highlights various challenges to the state's Gross Domestic Product, air quality, and energy costs if federal investments and programs are repealed.
- 4) States that as of January 2025, California has been awarded \$63 billion from the Bipartisan Infrastructure Law, not including funds going to California cities, air and water districts, or other political subdivisions.
- 5) States that The High Speed Rail Authority has been awarded more than \$3.1 billion in competitive grant awards under the Bipartisan Infrastructure Law to advance construction of the Merced to Bakersfield segment of the high-speed rail project.
- 6) States that California has been awarded up to \$1.2 billion from the federal Department of Energy through the Bipartisan Infrastructure Law to support the Alliance for Renewable Clean Hydrogen Energy Systems (ARCHES) to build a clean hydrogen supply chain.
- 7) States that California was allocated over \$1.8 billion from the federal Department of Commerce through the Bipartisan Infrastructure Law to deploy or upgrade high-speed internet networks to ensure that all Californians, including those in rural, agricultural, and underserved communities, have access to reliable, affordable, high-speed internet service necessary for economic prosperity in the digital age.
- 8) States that Seven ports in California have been awarded more than \$1 billion from the federal Environmental Protection Agency through the Inflation Reduction Act of 2022 for the deployment of zero-emission port infrastructure and climate and air quality planning projects, including the ports of Los Angeles, Oakland, Oxnard, Hueneme, Redwood City, San Diego, San Francisco, and Stockton.

Background

The Infrastructure Investment and Jobs Act of 2021, also known as the Bipartisan Infrastructure Law, was enacted by the 117th Congress and signed into law on November 15, 2021 H.R. 3684). The act authorizes approximately \$1.2 trillion in federal spending over five years to modernize America's infrastructure. The act

provides federal funding aimed at revitalizing the nation's infrastructure, amongst other provisions, including \$110 billion for repairing and upgrading highways, bridges and major infrastructure projects, \$39 billion for the modernization of public transit, with \$66 billion invested in railway infrastructure programs within the Department of Transportation. After negotiated congressional amendments the bill included \$550 billion in new investments including \$65 billion to expand broadband access, particularly in underserved and rural areas, \$55 billion to replace lead pipes and improve water systems nationwide and \$73 billion to modernize the electric grid and support clean energy initiatives.

The CHIPS and Science Act was enacted by the 117th Congress and signed into law by on August 9, 2022 (H.R. 4346). The act provides approximately \$280 billion in new funding for the CHIPS for America fund to support the domestic research and manufacturing of semiconductors in the United States for which it appropriates \$52.7 billion. To strengthen the American supply chain the act includes \$39 billion in subsidies for chip manufacturing in the U.S. and \$13 billion for semiconductor research and workforce training. It also invests \$174 billion in public sector research in science and technology including, among other provisions, advancing human spaceflight, quantum computing, biotechnology, and experimental physics.

The Inflation Reduction Act of 2022 was enacted by the 117th Congress and signed into law on August 22, 2022 (H.R. 5376). The act reduces the federal government budget deficit, lowers prescription drug prices, and invests in domestic energy production while promoting clean energy. The act represents the largest federal investment in climate action and clean energy while also addressing healthcare affordability and tax reform. Health care reforms within the act include provisions allowing Medicare to negotiate prescription drug prices, caps out-of-pocket insulin costs at \$35 per month and extends enhanced Affordable Care Act premium subsidies through 2025. Tax reforms and revenue measures in the act impose a 15% minimum tax on corporate stock buybacks and allocates \$80 billion, introduces a 1% excise tax on corporate stock buybacks and allocates \$369 billion for clean energy initiatives through 2032, aiming to reduce greenhouse gas emissions by 40% below 2005 levels by 2030 and achieve net-zero emissions by 2050.

FISCAL EFFECT: Appropriation: No Fiscal Com.: No Local: No

Unknown. This resolution is not keyed fiscal by Legislative Counsel.

SUPPORT: (Verified 6/23/25)

The Climate Reality Project, Bay Area Chapter The Climate Reality Project, California State Coalition The Climate Reality Project, Los Angeles Chapter The Climate Reality Project, Orange County Chapter The Climate Reality Project, Riverside Chapter The Climate Reality Project, Sacramento Chapter The Climate Reality Project, San Diego Chapter The Climate Reality Project, San Fernando Valley Chapter The Climate Reality Project, Silicon Valley Chapter The Climate Reality Project, South Central Coast Chapter

OPPOSITION: (Verified 6/23/25)

None received

ARGUMENTS IN SUPPORT: Supporters write that recent federal actions have frozen or clawed back allocated funding for climate and infrastructure programs. Supporters note that "In 2024, the U.S. Environmental Protection Agency paused over \$2 billion in IRA funding for clean energy rebates, and the Department of Energy delayed disbursement of funds for grid modernization in multiple states, including California. These unpredictable and politically motivated disruptions undermine our state's ability to deliver on long-term planning and public commitments. As a result, tangible harm is already being felt across California: Rural communities face delays in clean drinking water infrastructure upgrades; Food banks and community resilience programs struggle with reduced capacity; Environmental researchers and public health scientists are facing layoffs; Clean energy projects to improve air quality and reduce asthma in children are stalled and; Natural resource restoration efforts and low-income home energy upgrades have been halted." According to supporters, the CHIPS Act, IRA, and BIL have also catalyzed a manufacturing renaissance in California, helping the state pivot toward a clean, resilient industrial economy. Funding cuts would have serious ripple effects across key sectors." Supporters state that "SJR 6 is not symbolic-it is a strategic and timely declaration that California will not stand idle while lifesaving, job-creating, and future-defining federal investments are arbitrarily

clawed back. It ensures our state remains a leader in climate action, economic equity, and environmental resilience."

Prepared by: Sarah Mason / B., P. & E.D. / 6/23/2025 4:20:59 6/24/25 16:53:03

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