



Legislative Guidelines and State and Federal Legislative Update January 2024

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January 22, 2024

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OVERVIEW

- Review and Adoption of the 2024 Legislative Guidelines
- Townsend Public Affairs State and Federal Advocacy Update

REVIEW OF 2024 LEGISLATIVE GUIDELINES

Packet pages 297 – 301

The City of Palo Alto's 2024⁴³ Federal and State Legislative

Item 13

Attachment A - Draft
2024 Legislative
Guidelines

These Guidelines reflect and activate the City Council's priorities; they do not supplant them. They work to guide staff and the City's legislative advocates on issues that are important to the City Council, and likely to become a legislative issue. These Guidelines are not rank-ordered and are meant to allow for a flexible and quick response by staff and advocates, without the need to return to the City Council to seek guidance. The Guidelines work in conjunction with the City Council-approved Advocacy Process Manual and the City Council action to do "Strategic Weighing in on Issues of Interest" (June 22, 2021 [CMR 12344; Minutes](#)). The City Council's annual priorities are also guidance for the City's legislative platform.

The below **Foundational Principles** represent the ideals that form the core of the City's policy agenda. The Legislative Guidelines all rise from and strengthen four foundational principles:

1. Promote Local Fiscal Sustainability:
Support measures that promote fiscal stability, predictability, financial independence, and preserve the City's revenue base and maximum control over local government budgeting.
Also Protect local revenue sources and prevent unfunded mandates.

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**State and Federal Advocacy
Update**

January 22, 2024

TPA Presentation Overview



2024 Legislative Session
Introduction



Anticipated Issues



State Budget Outlook



Federal Appropriations
Outlook



Advocacy Program

2024 Legislative Session Introduction



Legislature Reconvened January 3, 2024



Second Year of Two-Year Session



197 New Bill Vehicles Introduced, 300+ 2-year Bill Vehicles Expected to Move



“Intent” and “Spot” Introductions



Bill Introduction Deadline February 16

Anticipated Issues: Bay Area Transportation

SB 925 (Wiener)

- MTC Bay Area Transit revenue bond vehicle
- Pending implementing language

SB 926 (Wahab)

- Requires the State Transportation Agency to develop a plan to consolidate all transit agencies that are located within MTC's jurisdiction

Anticipated Issues: Theft Prevention/Prop. 47 Reform

Numerous Prop. 47 Reform Spot Bills Introduced

- AB 1787 (Villapudua) set to include referendum language addressing Proposition 47 Concerns
- AB 1794 (McCarty) intends to make reforms to the Prop 47

Governor Calls for Theft Prevention Reforms

Governor's proposed reforms advocate for non-Prop. 47 Reforms and include:

- New penalties for theft
- Increasing local enforcement tools
- Aggregating theft amounts across multiple offenses
- Auto burglary prevention

Anticipated Issues: Artificial Intelligence

Overview of Proposed Reforms

Numerous spot bills introduced, including reforms to:

- Prevent exploitation via use of likeness or digital replication
- Create a state agency to oversee and regulate AI implementation
- Implement software to monitor content authenticity among state and local agencies

Implementing language pending

Anticipated Issues: Housing Production and Affordability

Housing Production

- RHNA Allocation Reforms
- AB 101 (2019) directed HCD to develop recommendations related to the RHNA process and methodology and submit a report to Legislature by the end of 2023.

Housing Affordability

- Impact and development fee transparency

Pending official report and bill language

State Budget Outlook

Budget Proposal and Process

- Governor's budget proposal released January 10, projects a \$37.9 billion deficit, contrasting with deficit identified by LAO (\$58+ billion)
- Strategies to mitigate deficit impacts include spending cuts, deferrals, shifts, and offsets to future bonds
- Situation subject to change pending April tax receipts
- Legislature and Governor to engage in negotiation process prior to May Revise
- Budget Act must be signed into law before July 1, amending process likely to continue into summer
- TPA working with City staff to identify funding priorities in case budget opportunities arise

Federal Appropriations Outlook

FY 2024 Appropriations Process Extended

- Congress passed another “two-step” continuing resolution (CR) to approve appropriations bills in tranches by March 1 and March 8
- Buena Vista Mobile Home Park upgrades totaling \$850,000 included in package, pending final approval
- FY 25 community project request process to kick off
- TPA working with City staff to identify priority projects and match with appropriate federal accounts

Advocacy Program



- Regular check in meetings with City staff
- Identification of legislative, budget, and grant funding priorities for 2024
- Consistent reports and updates on priority issues
- Legislative platform review and updates
- Advocacy trip planning
- Ongoing advocacy in Sacramento and Washington DC on behalf of City legislative priorities, budget requests, and grant funding programs
- Relationship development with Legislative Delegation and Leadership

Questions?



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RECOMMENDATION

- Adopt the 2024 Legislative Guidelines