



January 6, 2022

TO: State Association of County Retirement Systems
FROM: Edelstein Gilbert Robson & Smith, LLC
RE: **Legislative Update – January 2022**

General Update

The Legislature reconvened for the second year of the 2021-22 Legislative session on Monday January 3. Legislators are beginning to introduce new bills, and two-year bills that are in the first house are getting set for hearing.

Legislators have until February 18 to introduce new legislation. All two-year bills that are still in the house of origin must pass out of that house by the end of January. Two-year bills that are already in the second house have a more relaxed timeline.

The “Swing Space” where legislative offices are housed during the construction of the annex is up and running. However, due to the spike in COVID-19 cases, many legislative staff are still working from home. It remains to be seen how the Capitol working dynamic will evolve as case rates change in the Winter and into Spring.

2022-23 California State Budget

Governor Newsom is expected to introduce the January 2022-23 State Budget next week. Like last year, California is anticipating a record surplus. Latest projections put this figure at \$31 billion, and this means it will be another busy budget year as legislators and organizations vie for a portion of this funding.

We will keep SACRS apprised of any budget items of interest that are introduced in the coming weeks and months.

Redistricting

The 2020 California Citizens Redistricting Commission approved the new district lines on December 27. Incumbent legislators are making decisions about where to run next cycle or to even run at all. To that end, a handful of legislators have already announced that they will not be seeking reelection for their next term. We expect more shuffling to come.

SACRS Sponsored Bill

The SACRS membership approved the SACRS proposed legislation at the Fall Conference in November. Now that it is approved, the Legislative Committee and lobbyists are having the relevant discussions in the Legislature to get the proposals introduced into bills.

Half of the proposals in the approved SACRS Sponsored Bill will be placed into an annual omnibus committee cleanup bill. This year that bill will be authored by the Assembly Public Employment and Retirement Committee. The other half of the proposals, while not controversial, will need to be placed in a policy bill because they are more than “technical cleanup” suitable for an omnibus bill. The SACRS lobbying team is in the process of securing a legislator to author this bill.