

Governor's May Revise 2022-23 Budget Proposal

On May 13, 2022, Governor Gavin Newsom released his anticipated [May Revise Budget Proposal](#) which includes General Fund revenues estimated to be nearly \$55 billion higher than January's Budget Proposal. The "May Revision" allows the Governor to assess the state's April tax receipts, consider additional economic projections, and then adjust his January 2022-23 State Budget accordingly. The May Revision reflects \$49.2 billion in discretionary surplus, and the overall budget plan spends 94 percent of the discretionary surplus on one-time projects.

Budget categories that provide major funding opportunities for solid waste management programs and infrastructure include approximately \$4.3 billion in 2022-23 associated with the second year of investments from various 2021 Budget packages. The 2021 Budget included approximately \$15.1 billion (\$13.1 billion General Fund) over three years to support various climate resilience and natural resources investments, including:

- Circular Economy—\$270 million (\$130 million General Fund) over two years to support a circular economy that recognizes waste as a resource, shifting the state's focus to a more resilient and renewable economy. These funds will support the implementation of goals to reduce short-lived climate pollutants, including advancing organic waste infrastructure, edible food recovery, and composting opportunities; and supporting other non-organic recycling opportunities.
- Climate Resilience—\$3.7 billion General Fund over three years to support investments that address the state's multi-faceted climate risks.
- Zero-Emission Vehicles—\$3.9 billion (\$2.9 billion General Fund) over three years for investments in zero-emission vehicles and infrastructure to accelerate the state's progress toward meeting its climate and transportation goals established in Executive Order N-79-20 and advance California's Zero-Emission Vehicle Market Development Strategy.

The Governor's Budget included \$2 billion for a Clean Energy Investment Plan to support innovation and deployment of clean energy technologies in the energy system. The May Revision includes an additional \$8 billion investment to further increase the state's energy system's resilience, increase reliability and affordability, accelerate the deployment of the resources needed to achieve California's clean energy transition, and provide debt relief to California households impacted by the COVID-19 Pandemic.

\$100 million Greenhouse Gas Reduction Fund for methane satellites to collect weekly measurements of large methane emissions in the state. This data is intended to allow the state to identify the source of these emissions, work with programs to hold emitters accountable for violations, and further reduce the amount of short-lived climate pollutants in the atmosphere.

Now key lawmakers in the Assembly and the Senate must decide where they agree with the governor and which priorities they want to negotiate over before the June 15 deadline to pass a final, balanced budget for the fiscal year that starts July 1.

Additional details on the funding proposals listed on the Governor's May Revision are available at www.ebudget.ca.gov/2022-23



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