



November 2023 Legislative Advocate Report

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Economic Reductions and Gaps Emerging

The tax gap has been growing, with significantly less revenue coming in than anticipated. When the initial tax extension was estimated in the budget, it was thought that \$42 billion would come in. Unfortunately, the numbers are proving to be much dimmer. The Franchise Tax Board posted actual numbers in late October indicating that only \$14.9 billion had come in, creating a gap of over \$27 billion. Should economic conditions decline over the holidays, it could further exacerbate future projections.

To compound the complexities that are emerging when it comes to next year's budget, the Legislative Analysts' Office has noted they are projecting a significant decrease in the projected statutory COLA, which was previously estimated to be 3.94 percent in the budget but will likely move down to closer to one percent. This would likely create a very difficult situation for districts across the state.

Close attention will need to be paid to projections included in the Governor's January budget, which may be much more conservative as it integrates these new economic realities into the 2024-25 budget.

Assembly Announces New Committee Leadership

On November 21st, Speaker Rivas announced new Committee Chairs. While most of the Chairs were replaced or shifted to different Committees, a few stayed the same. Committees of importance include the following Chairs and Members:

Appropriations: Asm. Chris Holden (Chair); Asm. Megan Dahle (Vice Chair); Asm. Isaac Bryan; Asm. Lisa Calderon; Asm. Wendy Carrillo; Asm. Diane Dixon; Asm. Mike Fong; Asm. Gregg Hart; Asm. Josh Lowenthal; Asm. Devon Mathis; Asm. Diane Papan; Asm. Gail Pellerin; Asm. Kate A. Sanchez; Asm. Esmeralda Soria; Asm. Akilah Wever, M.D.; Asm. Lori Wilson.

Education: Asm. Al Muratsuchi (Chair); Asm. Megan Dahle (Vice Chair); Asm. Juan Carrillo; Asm. Josh Hoover; Asm. Alex Lee; Asm. Kevin McCarty; Asm. Sharon Quirk-Silva.

Higher Education: Asm. Mike Fong (Chair); Asm. Tri Ta (Vice Chair); Asm. Dawn Addis; Asm. Joaquin Arambula; Asm. Jessie Gabriel; Asm. Jacqui Irwin; Asm. Evan Low; Asm. Liz Ortega; Asm. Kate A. Sanchez; Asm. Miguel Santiago; Asm. Greg Wallis; Asm. Akilah Weber, M.D.

Budget Subcommittee 3 Education Finance: Asm. David A. Alvarez (Chair). Additional Subcommittee members have not yet been posted.