

MOTION BY SUPERVISOR JANICE HAHN

AGN. NO.
February 18, 2025

REVISED Understanding the Fiscal Impact of Proposition 36 on County Programs

California voters approved Proposition 47 in 2014, which reduced penalties for certain lower-level drug and petty theft offenses from felonies to misdemeanors. This came at a time when California (State) prisons were operating at over 180% capacity. Proposition 47 also required that savings derived from the subsequent reduction in the State prison population be deposited into the Safe Neighborhoods and Schools Fund, with 65% allocated for grants to public agencies to support various recidivism reduction programs (such as mental health and substance use treatment services), 25% for grants to support truancy and dropout prevention programs, and 10% for grants for victim services. Since the passage of Proposition 47, the County of Los Angeles (County) has received millions of dollars from the Fund for various services and programs, including diversion programs, domestic violence support programs, victim services, and reentry services.

On November 5, 2024, California voters approved Proposition 36, which partially reversed Proposition 47 by reclassifying certain petty theft and drug crimes as felonies and creating a new treatment-mandated felony category that requires drug treatment program participation for certain defendants. The passage of Proposition 36 is expected to increase the county jail and state prison populations, which will likely reduce the annual

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fiscal savings from Proposition 47 that are allocated to the Safe Neighborhoods and Schools Fund. In January 2025, Governor Gavin Newsom released the State budget for Fiscal Year 25-26 and estimated that of the fiscal savings from the implementation of Proposition 47, there will be a net savings of \$88.3 million, a decrease of \$6.5 million from the last fiscal year. With the passage of Proposition 36, it is estimated that for fiscal year 26-27, there will be a further reduction of funding from the State to the County for services for the justice-involved population and victims of crime. The County should have a clear understanding of how these State funding cuts could impact local services.

I, THEREFORE, MOVE that the Board of Supervisors:

Direct the Chief Executive Office —~~Legislative Affairs and Intergovernmental Relations Office~~ and the Justice Care and Opportunities Department, in collaboration with all departments that have received funding from the California Safe Neighborhoods and Schools Fund, to report back to the Board in writing in 60 days with a landscape analysis of County programs and services that have previously been funded by the Safe Neighborhoods and Schools State funds that could be impacted by the reduction in funding from the passage of Proposition 36. The analysis should include the following:

1. How much funding each program has received annually from the State;
2. Population (e.g. youth, domestic violence survivors, incarcerated individuals, etc.) and number of people served by the programs; and
3. Anticipated State funding reductions due to the passage of Proposition 36 and their potential impact on the above programs.

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