

TO: Members, County of Santa Barbara Legislative Committee

FROM: Cliff Berg, Legislative Advocate
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RE: May 2016 Update

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Each house of the Legislature has now finished hearing bills in their houses' policy and appropriations committees. At this point, every bill has either passed committee and is now on the floor or just taken up on the floor as we write this report. June 3rd is the deadline to pass the bills introduced in the house of origin. May 27th was the last day for fiscal committees to hear and report bills to the floor, all bills with a fiscal impact were put on the Suspense File, and were considered right before the deadline for bills to be moved onto the floor. During this time, the Leadership in each House decided on the outcome of the bills behind closed doors. Bills that are moved out of the Suspense File go to the Floor, while any bills that are held in Suspense will die.

The Suspense bills we have been following for the County include AB 1882 (Williams) which the County supported, but was held; AB 2729 (Williams) which the County currently supports, had passed with amendments; SB 941 (Mitchell) which the County opposed, was held; and SB 968 (Monning) which the County supports, passed with amendments.

Meanwhile, the Governor's May Revise came out on May 13th. While the Governor emphasized that fiscal frugality remains his top priority, he indicated support for limited affordable housing and mental health proposals, as he plans to spend \$3.2 billion in state and federal funding and award authority to various affordable housing programs, as well as endorsing Senate President pro Tem De Leon's No Place Like Home (NPLH) Initiative which is a \$2 billion bond to construct permanent supportive housing for chronically homeless persons with mental illness from a portion of future Proposition 63 mental health revenues. The NPLH Initiative was approved 13-1 in the Senate Budget Hearing on May 24th and will now be considered and negotiated, as both houses come together for a conference to craft a mutual version of the budget to give to the Governor.

The Governor has also included a "by-right" housing proposal that would shorten the approval process and in some cases, eliminate the need for additional environmental review in order to increase housing supply by creating general criteria for affordable housing to be built. The criteria would consist of whether the local requirements are met, whether the sight is an infill sight, if the location criteria are met, and if the housing will include a certain percentage of affordable units. The language will impose timelines on local governments and limit local discretions, but ultimately allow for more expedited development which would address housing issues. CSAC is currently seeking feedback on this proposal.

The Los Angeles County has recently proposed trailer bill language in order to help counties combat homelessness. The proposal would provide counties the authority to seek voter approval

to impose a special tax on personal annual incomes over \$1 million dollars for purposes for providing housing and services for homeless individuals and families.

CSAC had its annual legislative conference day on May 18-19, where they held hearings on items including housing, transportation, coastal and suburban issues. In the effort to cut down on homelessness, the panel supported the idea of collaborating with cities, counties and organizations in order to fix the problem as a group effort. They also supported lobbying on getting more funding for homelessness/housing programs in order to receive regular funding again.

During the CSAC conference, Deputy County Executive Officer Joe Toney and Cliff Berg met with our local legislators in order to discuss the County's priorities and get updates. They discussed transportation infrastructure, new storm water drain regulatory requirements, the MS 13 homicide trial, mental health care and numerous other issues.

During the CSAC Coastal Counties Meeting, AB 2616 (Burke) came into a discussion of whether the counties should support or oppose the bill. The bill would increase the Coastal Commission membership by three non-elected members, which a couple Supervisors found troubling since it would disrupt local control and balance to an already working system. Although the Coastal Commission voted to Support the bill, surprisingly they weren't sure of their own support. AB 2616 (Burke) passed the Assembly Suspense File with an amendment to repeal the housing portion of the bill.

Special Sessions

Transportation:

Caltrans, the state's Transportation Department, maintains 50,000 lane-miles of highway and nearly 13,000 state-owned bridges. While the repair, maintenance and efficient operation of the state's highway system are vital to the state's continued economic growth, current funding fails to adequately fund this necessary work. The state's current fuel excise tax is sufficient to fund only \$2.3 billion of work—leaving \$5.7 billion in unfunded repairs each year.

The Governor has called for a special session in order to address the outstanding issue of transportation funding which will remain an ongoing effort until the Legislature can settle on a transportation package which they can agree on. He proposed that the Legislature enact permanent and sustainable funding to maintain and repair the state's transportation and critical infrastructure, improve the state's key trade corridors and complement local infrastructure efforts.

The May Revision calls for no changes in the funding to his ten-year \$36 Billion transportation plan from January. In this plan he proposes that they reinstate truck weight fees, increase VLF by \$65.00 per vehicle and an increased gas tax. The Assembly is looking to address the issue of transportation funding through the policy process rather than the budget process, while the

Senate has voted in the Senate Subcommittee No. 2 to continue to work the Governor's transportation funding plan through the legislative special session on transportation.

We are currently monitoring the negotiations and discussions during the budget process and the legislative special session, as well as evaluating them to see if it is a workable solution for the county. We continue to monitor and work with County staff in order to continue to keep the board updated as this discussion unfolds. A deal may occur as part of budget negotiations or after the June primary before adjournment day on August 31st.

Bills of Interest to the County

AB 45 (Mullin) This bill is opposed by the County. The bill would mandate cities and counties that provide residential collection and disposal of solid waste to create a household hazardous waste (HHW) baseline and to meet an unspecified diversion requirement for HHW collection. The bill was opposed by many cities and counties. The bill will be up in the Senate Environmental Quality Committee on June 15th.

AB 1564 (Williams) This bill requires the Office of Emergency Services (Cal OES), the California Highway Patrol (CHP), and county coordinators to review the states routing of 911 calls. The bill passed the Assembly Appropriations Committee and was voted 78-0 on the Assembly Floor and will be up in the Senate Energy, Utilities and Communications on June 13th. The County is supporting the bill.

AB 1825 (Gordon/Maienschein) This bill will provide more local control and allow shelters to follow best practices to assess dogs upon entering them. Under current law the label of "vicious dog" is automatically applied to dogs seized under the penal code. Many dogs that are seized under this section, such as from a breeder that is connected to animal fighting, do not pose a risk and are perfectly safe for future adoption. The bill has passed the Assembly Floor 75-0 and is awaiting a hearing in the Senate Judiciary Committee. The County is in support of this bill.

AB 1853 (Cooper) The county is in opposition to the bill. The bill would reduce local control by allowing retirement systems operation under CERL to operate independently from its respective county without an input from the county Board of Supervisors. The bill is currently on the Assembly Floor, on its third reading.

AB 1882 (Williams) This bill enhances oversight and accountability to ensure water used as drinking water or irrigation is not being contaminated by oil production and that it would not affect the quality of the water. The bill was held on the suspense file by the Assembly Appropriations Committee on May 27. The County was in support of the bill.

AB 2729 (Williams) The county supports this bill. In large, this bill would increase idle oil and gas well fees and indemnity bonds to provide a disincentive for operators to maintain large numbers of idle wells. Currently, there is not a high incentive for operators to terminate their abandoned wells and this could cause potential danger to life, health or natural resources, this bill would increase fees to provide incentive to close the wells. This bill has passed the Suspense file with amendments that would revise the oil and gas well requirements, fees and indemnity bonds imposed by the Division of Oil, Gas and Geothermal Resources (DOGGR).

ABX2 10 (Bloom) This bill would permit counties and cities to impose new taxes on retailers who sell tobacco products, including cigarettes. Additionally, this bill would allow counties and cities to enter into agreement in order to share costs associated with startup or administration, as well as, enter into agreement with the State Board of Equalization to assist in the operation and administration of said taxes. This bill has passed both Houses and was unfortunately vetoed by the Governor with a message that addressed the Assembly: “This bill would permit, on a blanket basis, tobacco taxation and the discretion of local counties. Although California has one of the lowest cigarette tax rates in the nation, I am reluctant to approve this measure in view of all the taxes being proposed for the 2016 ballot.”

SB 122 (Jackson, Hill and Roth) This bill is a vehicle for potential CEQA reform. The bill would require the lead agency, at the request of a project applicant and consent of the lead agency, to prepare a record of proceedings concurrently with the preparation of a negative declaration, mitigated negative declaration, EIR, or other environmental document for projects. The bill would state the intent of the Legislature to enact legislation establishing an electronic database clearinghouse of notices and environmental document prepared pursuant to CEQA, establishing a public review period for a final environmental impact report, and relating to the record of proceedings for a project for which an environmental impact report is prepared pursuant to CEQA. This County is supporting the bill. The bill passed the Assembly Natural Resources Committee where it passed 7-1; it is now sitting on the Assembly Appropriations Suspense file, and will be taken up in 2016.

SB 233 (Hertzberg) AB 2503 (Perez) Chapter 687, 2010, established the “rigs to reefs” program when it passed. The current law passed with much consideration across the state and included relevant stakeholders and agencies to address the issues surrounding oil platforms remaining in the ocean off the coast of California. The County is opposed to SB 233 because we believe it is unnecessary. The measure is a two-year bill, sitting in the Assembly Appropriations Committee and will come up in 2016.

SB 867 (Roth) This bill will allow the Richie Pediatric Trauma Fund to continue past its sunset date of January 1, 2017. This bill authorizes a county to continue to establish an EMS Fund to be used to reimburse physicians and hospitals for patients who do not make payment for emergency medical services, which would allow the County’s Public Health Department to continue to distribute pediatric trauma funds to support local pediatric trauma services. The County is in support of this bill. This bill has passed the Senate and has been referred to the Assembly Public Safety Committee.

SB 941(Mitchell) The purpose of the bill is to eliminate fiscal liabilities to parents, guardians and minors for costs associated with a minor’s involvement in the juvenile justice system. The bill would remove local control, and essentially cause a negative fiscal impact on the County. The County opposes the bill as it would remove the County’s ability to send Institution accounts to the FTB Court Ordered Debt leaving accounts uncollectible, and repeal the \$100 per day fee for parents who refuse to pick up minors from Juvenile Hall or Los Prietos Boy’ Camp. The bill was held in the Senate Appropriations Suspense File.

SB 968 (Monning) The County is in support of the bill. The bill would require PG&E to submit to the California Public Utilities Commission an assessment of the adverse economic impacts that could

occur in the San Luis Obispo County region if the Diablo Canyon Nuclear Power Plant were to shut down. The bill has passed the Senate Suspense File with amendments from Appropriations.

SB 1229 (Jackson) This bill would establish a duty of care for pharmacies that host secure drug take-back bins for prescription and over the counter drugs that are left over from treatment or have expired. The County supports the bill. The bill has passed the Senate and will be heard in the Assembly Judiciary Committee on June 8th.

SB 788 (McGuire) The County is supporting this measure. This bill eliminates the exception in the California Coastal Sanctuary Act of 1994 (AB 2444, O'Connell) (CCSA) that allows the State Lands Commission (Commission) to issue an offshore oil lease if state oil or gas deposits are being drained by wells on federal lands and the lease is in the best interests of the state. The bill is a two-year bill; it is sitting in the Assembly Appropriations Committee where it will be heard in 2016.

Conclusion

June 3rd was the last day for each house to pass bills that were introduced in their house; this is known as the "house of origin deadline." The Legislature is now preparing to hear bills in the other house's policy committees before the July 1st deadline for policy committees to meet and report bills, concurrent to when the Legislature goes on their Summer Recess.

The Governor came out with his May Revise of the budget on May 13th, and the Legislature is now finished holding budget subcommittee hearings. The two houses are meeting in a budget conference committee to discuss and reconcile conflicts between the two houses, then vote on the budget as a whole, and then send it to the Governor.

The last day for the budget bill to be passed is by midnight on June 15th. We will continue to work with staff on the many bill and budget items that are moving and keep the committee and Board updated. As always, should you or your staff have any questions, please don't hesitate to let us know.