

TO: Members, County of Santa Barbara Legislative Committee

FROM: Cliff Berg, Legislative Advocate
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RE: 2019 January Update

DATE: January 30, 2019

The Governor and the other constitutional officers were sworn in on January 7th. Governor Gavin Newsom submitted his 2019-20 “California for All” budget proposal to the Legislature on January 10th, where he emphasized the need for emergency readiness, immigration issues, affordable housing and the importance of investing in early child care. The budget process will continue from now through the May revise with a June 15th deadline for budget passage.

Governor Newsom has made fixing the affordable housing crisis in California one of his top priorities. On January 15th, the Governor announced a series of proposals to provide a solution for housing affordability. The proposals included signing an executive order to build affordable housing on excess state lands, \$1.75 billion in new housing production funding that is in the state budget to help incentivize housing production and has requested the Legislature to work collaboratively on efforts to help renters and protect families from out of control rent increases.

The Governor has also announced on January 25th that the State will file a first of its case lawsuit against the City of Huntington Beach for willfully standing in violation of state housing law, stating that, “The state doesn’t take this action lightly... The huge housing costs and sky-high rents are eroding quality of life for families across this state. California’s housing crisis is an existential threat to our state’s future and demands an urgent and comprehensive response.” AB 72 (Santiago) – Chapter 370, Statutes of 2017, which took effect January 1, 2018, allows the state to revoke a city or county’s existing housing plan compliance and to refer potential cases to the state Attorney General’s Office for litigation.

The January State Budget also included a statement that would link transportation funding with housing production, stating that “the state will strongly encourage jurisdictions to contribute to their fair share of the state’s housing supply by linking housing production to certain transportation funds and other applicable sources, if any.” At the press conference, the Governor indicated his desire to link local government allocations of SB 1 funds with the production of housing as compared to established planning goals. We understand that this is an ongoing conversation that will not happen rapidly but over the next few years that will include stakeholder meetings that the County will be part of. CSAC has consistently opposed similar proposals in the past and has stated that they will advocate within the Administration and Legislature to ensure that county transportation funding is not withheld based on factors beyond local government control.

The Assembly Budget Committee held a hearing on the State Budget on January 29th in order to hear a package of two bills - AB 72 (Ting) which makes a budget augmentation to the 2018 budget

to take an early action on items related to emergency and disaster events, and AB 73 (Ting) which is a trailer bill that contains an updated provision to disaster response language adopted in the 2018 Budget Conference Committee agreement that provides the Director of Finance financial flexibility in emergency response situations. The proposed language would reconstitute the Disaster Response Emergency Operations Account, which sunset on January 1, 2019. This fund allows the Director of Finance to transfer funding from the State's reserve for expenses related to a declared emergency. The proposed language in this bill would provide this authority for 120 days after the emergency, but allow the Director of Finance to extend the authority for up to 120 days at a time, until the end of a fiscal year. Both bills passed the Assembly Budget Committee unanimously.

While the Governor proposed positive revisions to the county IHSS MOE that are estimated to increase State General Fund costs for IHSS, starting at \$241.7 million in 2019-20 and growing to \$547.3 million in 2022-23, Santa Barbara along with Stanislaus, Sacramento, Placer, and Yolo County may have concerns on the AB 85 formula, along with the County Medical Service Program (CMSP), to pay for the IHSS proposal that the Governor put out. The AB 85 formula enacts formulae to redirect a portion of Health Realignment funding for indigent care to fund social services programs, while accounting for the uncertainty involved and the need to maintain a viable county safety net and public health services. The Department of Finance is proposing to change the cost share under AB 85 from 60/40 to 75/25, which only impacts the CMSP board and the in-between counties listed above, including Santa Barbara. We are currently working on this question.

The County is continuing the process of establishing priorities for the legislative session. As a result of ongoing discussions about how to be the most effective in Sacramento we will be seeking to take positions on bills earlier in the process and providing input on more bills based on the County's 2019 Legislative Platform.

State Budget

Governor Newsom Governor Gavin Newsom submitted his 2019-20 "California for All" budget proposal to the Legislature on January 10th which proposed \$144 billion in state General Fund expenditures, a four percent increase over the spending plan former Gov. Jerry Brown signed in June 2018. The total proposal, including money earmarked for special purpose funds tops \$209 billion, which is \$8 billion more than former Governor Jerry Brown's final budget. The Legislature will begin the budget sub-committee process beginning in February.

Highlights include:

Investments in Emergency Readiness, Response and Recovery

The Budget proposes to support counties devastated by the November 2018 wildfires by backfilling wildfire-related property tax losses and waiving the local share of cost for debris removal. The budget also includes:

- \$200 million General Fund to augment CAL FIRE's firefighting capabilities, adding 13 additional year-round engines, replacing Vietnam War-era helicopters, deploying new

large air tankers, and investing in technology and data analytics that will support CAL FIRE's incident command in developing more effective initial fire suppression strategies.

- Continues \$25 million General Fund ongoing for pre-positioning local government fire engines to support the state's critical mutual aid system.
- \$60 million General Fund one-time to jump-start upgrades to the 911 system, including an overhaul to the existing fee that will sustainably fund a modern, reliable system.
- \$16.3 million General Fund to finish the build-out of the California Earthquake Early Warning System. To help local governments and individuals be more prepared for emergencies,
- \$50 million General Fund one-time for local grants and to immediately begin a comprehensive, statewide education campaign on disaster preparedness and safety.
- \$213 million pursuant to SB 901 (Chapters 626, 2018), the wildfire prevention and recovery legislation. These funds would be used for fuels reduction, prescribed burns, illegal fireworks disposal, and to streamline regulatory barriers for fuels reduction project. This is the first investment out of a total of \$1 billion over the next five years for fire prevention and forest management activities.
- \$59.5 million from the General Fund over five years for OES to develop and implement the California Interoperable Public Safety Radio System, which would allow various agencies the ability to communicate with each other seamlessly, improve radio coverage to clients whose radio systems are geographically limited, and leverage and link to existing state and regional digital radio systems.

Incompetent to Stand Trial (IST)

The Department of State Hospitals (DSH) continues to experience a significant number of IST commitments—the number of ISTs pending placement into the state hospital was more than 800 individuals in December 2018. The budget proposal includes funding to expand DSH beds, but also includes \$12.3 million to allow DSH to contract up to 74 additional jail-based competency restoration treatment beds through the county jail treatment programs.

In-Home Supportive Services

The In-Home Supportive Services (IHSS) program provides assistance and services to eligible older or disabled individuals to help them remain safely in their homes. For 2019-20, the Governor's January budget proposal includes \$12.7 billion for IHSS, of which \$4.3 billion is from the General Fund. This is a 15.2 percent increase in General Fund costs over the 2018-19 costs. The budget proposal estimates that average monthly caseload will increase by 4.5 percent over the prior year projection to a total of 564,000 recipients in 2019-20.

IHSS Reopener Report

As part of the 2017-18 budget trailer bill SB 90 (Chapter 25, Statutes of 2017) that established the new IHSS maintenance of effort (MOE), Specifically, the Department of Finance was required to submit findings and recommendations to the Legislature by January 10, 2019 on four specific elements: 1. The extent to which revenues available for 1991 Realignment are sufficient to meet program costs that were realigned. 2. Whether the IHSS program and administrative costs are growing by a rate that is higher, lower, or approximately the same as the MOE, including the inflation factor. 3. The fiscal and programmatic impacts of the IHSS MOE on the funding available for the Health Subaccount, the Mental Health Subaccount, the County Medical Services Program

Subaccount, and other social services programs included in 1991 Realignment. 4. The status of collective bargaining for the IHSS program in each county. The Department of Finance has completed the Senate Bill 90: 1991 Realignment Report, which is now available on the Department of Finance website.

IHSS MOE Revisions

The Governor's January budget proposal contains revisions to the county IHSS MOE that was established in 2017. The end result of these revisions is estimated to increase State General Fund costs for IHSS, starting at \$241.7 million in 2019-20 and growing to \$547.3 million in 2022- 23. The Department of Finance estimates that there would not be a Realignment shortfall until 2021-22 and it would be a minor shortfall of \$9.5 million. This is positive news for counties as prior estimates under the existing structure showed shortfalls of several hundred million dollars in the coming years.

IHSS Administration

The Governor's January budget proposal provides an ongoing increase of \$15.4 million General Fund for county IHSS administration, for a total of \$326 million General Fund. The budget summary notes that this increase reflects revised benefit rate assumptions.

Continuum of Care Reform (CCR)

The Budget includes \$416.9 million (\$301.7 million General Fund) to continue implementation of CCR. This funding reflects ongoing support for child and family teams, approval of resource families, and continued emphasis of home-based, family care placements with supportive services rather than group home care placements for children in foster care. Although significant progress has been made with the transition of youth in foster care from group homes to Short-Term Residential Therapeutic Programs beginning January 1, 2017, assumptions on caseload movement were revised to more accurately reflect the pace of implementation.

Child Support Programs

The Governor's January budget proposal includes an increase of \$56 million (\$19.1 million General Fund and \$36.9 million federal funds) for local child support agencies (LCSAs). The additional funding is proposed to be allocated to 21 counties that have relatively lower funding levels. This follows up on a \$3 million increase in the 2018-19 budget and direction in AB 1811 (Chapter 35, Statutes of 2018) that requires the Director of the Department of Child Support Services to work with the Child Support Directors Association to identify refinements to the child support budgeting methodology and to identify programmatic operational efficiencies.

CalWORKs Single Allocation

The Budget includes a one-time augmentation of \$93.6 million for the county single allocation. The Administration will continue to work with representatives of counties and county welfare directors to develop recommendations for revising the single allocation budgeting methodology for the Employment Services component as part of the May Revision.

Elimination of SSI Cash-Out Policy

Last year's budget made SSI recipients eligible for federal CalFresh benefits and provided one-time funding to offset any reduction in benefits due to this policy change. The Budget includes \$86.7 million General Fund in 2019-20 and makes permanent the offset of the loss of food benefits for households that would otherwise experience a reduction resulting from the elimination of the SSI Cash-Out policy.

Regional Homelessness Coordination

Governor Newsom proposes an additional \$500 million in one-time General Fund for siting emergency shelters, navigation centers, and supportive housing. Entities that apply for this funding must establish joint regional plans to address homelessness that include cities and counties, and report all funding used for homelessness services. The proposal would direct \$200 million of that funding to local Continuums of Care, \$100 million to the state's 11 largest cities, and the remaining \$200 million for "meeting milestones" grants to local jurisdictions that show progress toward developing housing and shelters.

No Place Like Home Program

The Governor wants to expedite the allocation of No Place Like Home (NPLH) grant allocations to counties to build permanent supportive housing for those who are homeless or at risk of homelessness, and those who are living with a severe mental illness. It is unclear how these funds would be expedited, but voters overwhelmingly passed Proposition 2 authorizing the NPLH program last November.

Housing Planning and Incentives

In addition to \$500 million in one-time funding for local efforts to address homelessness, the Governor proposes \$750 million in funding for revamping regional housing planning, setting new short- and long-term targets for housing production, and to provide incentive funding for local governments that successfully encourage housing production. The funding would be split between \$250 million for planning and target-setting grants and technical assistance to local governments, with \$500 million allocated to local government housing production incentives. While details were sparse, representatives of the Department of Finance and the Business, Consumer Services, and Housing Agency indicated that they plan to work closely with stakeholders, including local government, to develop the new programs.

Transportation Funding

The Governor's January budget proposal includes \$4.8 billion in SB 1 (Beall, 2017) funding in 2019-20. \$1.2 billion in funding from Road Maintenance and Rehabilitation Account (RMRA) will be split evenly between cities and counties, with another \$1.2 billion dedicated to the repair and maintenance of the state highway system. An additional \$400 million is available to repair and maintain the state's bridges and culverts, \$307 million is available to improve trade corridors, and \$250 million is available for congested commute corridor projects. The budget proposal also reflects \$458 million for local transit operations and \$386 million for capital improvements for transit, commuter, and intercity rail. Counties and cities will also receive the final \$75 million loan repayment authorized by SB 1. In addition to SB 1 funding, cities and counties will share \$567 million in price-based excise tax revenue, up from \$235 million in 2018-19. Recall that SB 1 eliminated the "true-up" process and resets the price-based excise tax rate at 17.3 cents per gallon

in 2019-20 with future inflationary adjustments. An additional \$1.1 billion in Highway User Tax Account (HUTA) revenue will be allocated to counties and cities by formula.

Cap & Trade Expenditure Plan

The Governor's January budget proposal expends \$1 billion from the Greenhouse Gas Reduction Fund (GGRF) for 2019-20. This is roughly \$400 million less overall than last year's cap and trade expenditure plan, which was adopted in June of 2018.

Despite the decrease in the proposed allocation, funding levels largely remain the same for key programs including:

- \$407 million for the purchase of zero-emission vehicles, trucks, and freight equipment;
- \$230 million to fund and implement AB 617 Community Air Protection Programs;
- \$40 million for the Transformative Climate Communities (TCC) program;
- \$25 million proposed for CAL Recycle waste diversion programs to help reduce short lived climate pollutants, such as methane emissions, from landfills. This is significant for local governments given that Cal Recycle's SB 1383 Organic Waste Diversion regulations are expected to be adopted this year and will increase organic waste diversion requirements.

Safe and Affordable Drinking Water Fund

The Governor's January budget proposal revives the concept of a Safe and Affordable Drinking Water Fund. The proposal, which died in the Legislature last year, would create new charges on drinking water customers and certain agricultural entities to generate revenue to implement a new financial assistance program to address unsafe drinking water systems, with a focus on disadvantaged communities. This proposal is consistent with Senator Bill Monning's SB 623 from the 2018-19 legislative session. The Budget also includes \$4.9 million General Fund on a one-time basis for the State Water Resources Control Board and the Department of Food and Agriculture to take initial steps toward implementation of this new Safe and Affordable Drinking Water Program, including (1) implementation of fee collection systems, (2) adoption of an annual implementation plan, and (3) development of a map of high-risk aquifers used as drinking water sources.

Cannabis

The Governor's January budget proposal includes \$200 million from the Cannabis Tax Fund and Cannabis Control Fund and \$2.9 million for the California Department of Tax and Fee Administration for a cannabis tax enforcement program to help with cannabis tax compliance. Proposition 64 levies excise taxes on the cultivation and retail sale of both recreational and medical cannabis. As California's cannabis markets continue to grow, the excise tax is expected to generate \$355 million in 2018-19 and \$514 in 2019-20. These excise taxes are used to fund different programs as required under Proposition 64. These programs include community reinvestment, funding for studies, youth cannabis use prevention, environmental protection, and funding for law enforcement. The Administration has noted that it will hold off on proposing specific allocations until the May Revision of the budget when more up to-date revenue data will be available.

Emergency Response

On January 8th, Governor Newsom signed two executive orders to strengthen California's emergency preparedness and response. Due to the recent fires where many elderly, low income and socially isolated individuals were unable to escape, the Governor signed an executive order that directs state agencies to consider risk management through an added socioeconomic lens. The executive order asks agencies to identify geographic areas with populations that are particularly at risk during natural disasters, this order paired with traditional natural risk factors provides a more accurate assessment of the real human risk and can help guide preventative action to help prevent loss of life. The second executive order modernizes the way the state contracts for technology systems. In the Governor's press release, it states that instead of government prescribing specific technology solutions — something government doesn't always do well — this Innovation Procurement Sprint allows an agency to specify to the private sector what problems it is trying to solve. And it allows agencies to convene outside experts to source innovative solutions and systems. In fire detection technology, this new process comes with the goal of having cutting-edge technology in the hands of emergency responders by next fire season.

The Senate Budget and Fiscal Review Committee will be conducting an informational hearing on Wildfire and Emergency Response and Preparedness on January 31st upon adjournment of session, while CSAC will be hosting a Disaster Recovery Summit and Roundtable Discussion in Sacramento on February 13th from 10 AM to Noon at the Capitol Events Center, located at 1020 11th St. The meeting is intended to give impacted counties a chance to hear directly from state department heads and also from each other to talk about lessons learned, challenges and what is still needed in the path to recovery. The Summit will host Cal OES Director Ghilarducci, a Cal FIRE Representative and a Representative from the Department of Finance.

Cannabis and Public Banking

In June 2017, former Governor Jerry Brown signed into law the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA), which creates one regulatory system for both medicinal and adult-use cannabis.

CDFA released the proposed permanent regulations for cannabis cultivation licensing on July 13, 2018, which started the formal rulemaking process and initiated the official 45-day public comment period. On October 19th, the California Department of Food and Agriculture posted the proposed permanent regulations. The proposed changes were in response to comments received during the notice of proposed rulemaking that closed on August 27th, and the regulatory hearings that took place from July through August.

On December 7th, California's three state cannabis licensing authorities announced the release of the proposed cannabis regulations currently under review by the California Office of Administrative Law (OAL). The rulemaking action regarding these regulations, initially noticed on July 13, 2018, was submitted to OAL for review on December 3, 2018. The proposed regulations have now been officially approved OAL as of January 16th.

On December 11th, The California Department of Tax and Fee Administration (CDTFA) has adopted proposed emergency Cannabis Tax Regulation 3702, California Cannabis Track-and-Trace, to require the wholesale cost and retail selling price of cannabis and cannabis products to

be recorded in the California Cannabis Track-and-Trace (CCTT) system. Pursuant to Revenue and Taxation Code section 34013, proposed section 3702 is effective for two years from the date the regulation is filed with the Secretary of State (effective until December 27, 2020).

In December, the Cannabis Banking Working Group (CBWG), chaired by then-California State Treasurer John Chiang, was presented with the results of an independent study that found that establishment of a public cannabis bank would pose too great of a legal and financial risk to the State of California.

On December 4th, Senator Bob Hertzberg introduced SB 51 (Hertzberg) which would create the Cannabis Limited Charter Banking and Credit Union Law. The bill would create the Cannabis Limited Charter Bank and Credit Union Advisory Board which would include the Treasurer, the Controller, and the Chief of the Bureau of Cannabis Control, and commit to it the general responsibility for ensuring that this law functions in a safe and efficient way. The bill has been referred to the Senate Banking and Financial Institutions Committee and the Senate Governance and Finance Committee.

State Treasurer Fiona Ma, and Assemblymember Rob Bonta (D – Alameda) announced that they are introducing a Temporary Cannabis Tax Reduction bill - AB 286 (Bonta), which was introduced on January 29th. The bill would temporarily reduce California's cannabis excise tax from 15 percent to 11 percent and suspend the cultivation tax altogether through 2022. AB 286 is meant to stimulate the legal cannabis industry in California by creating a more equitable climate for the compliant businesses to compete with the growing grey market. Another problem is that the black market still exists, making it difficult for compliant cannabis entities to compete with the illicit actors who do not pay the same taxes.

The Assembly Banking and Finance Committee and the Assembly Local Government Committee will be holding an informational hearing on Public Banks - An Examination of Public Banking at the Local Level on February 4th at 3:30.

Bills of Interest to the County

AB 132 (Cooper) Trial Costs: Joseph James DeAngelo, Jr.

Over a span of 14 years the Golden State Killer (GSK) was suspected of committing multiple murders, rapes, kidnappings, robberies and burglaries throughout California. Last year Joseph DeAngelo was arrested as the GSK suspect. The trial of the GSK is going to place an unexpected financial burden on the counties responsible for trying this case. AB 132 will provide some cost recovery to the district attorneys and public defenders responsible for the prosecution and defense of the GSK. The bill has not been referred yet to a committee. The County is in support of this bill.

AB 255 (Limon) Coastal Resources: oil spills: grants

AB 255 (Limon) would include Native American tribes and other public entities to be eligible for grants authorized by the Lempert-Keene-Seastrand Oil Spill Prevention and Response Act. Existing law provides that the Lempert-Keene-Seastrand Oil Spill Prevention and Response Act may offer spill response equipment grants to local governments with jurisdiction over waters of the state. AB 255 (Limon) would clarify this existing grant program in the code and ensure this program continues to provide these specified grants to local government, Native American Tribes or other public entities that have jurisdiction over or are directly adjacent to waters of the state. The bill has not been referred yet to a committee. The County is in support of this bill.

SB 46 (Jackson) State government: emergency services

This bill expands on last year's SB 821 (Jackson, Ch. 615, stats. 2018) by allowing local government to automatically enroll residents, stoutens and other employees in locally-operated emergency alert systems while preserving their ability to opt-out and clarifies that alerting authorities may use wireless telephone subscriber data for the sole purpose of emergency notification and allows local governments to identify residents with access and functional needs for the purpose of sending them specialized emergency alerts. The bill has been referred to the Senate Committees on Governmental Organization and Human Services. The County is in support of this bill.

SR 12 (Jackson) Relative to the 50th anniversary of the Santa Barbara oil spill

The Senate Resolution would resolve that the Senate encourage its members to urge their constituents to participate in beach clean-up and other community efforts to bring citizen action and involvement to the protection of our environment and further honor the tireless efforts and important accomplishments of California's environmental leaders stretching from the time of the Santa Barbara oil spill 50 years ago up to the present day. The bill passed the Senate 30-1 on January 28th and is chaptered into law. The County supported this Senate Resolution.

New Introduced Bills of Possible Interest to the County

Our office is reviewing all the introduced legislation and will flag those bills that could be of possible interest to the County. We will then work with staff to see which bills to the County needs to take positions on. This year after discussion with our legislative delegation, we will be trying to take more positions earlier in the process.

Some bill of interest that are already introduced include:

AB 38 (Wood) Fire Safety

This bill would require, no later than July 1, 2020, the State Fire Marshall to develop, and the California Building Standards Commission to review, building standards for buildings in very high fire hazard severity zones. The bill would require all newly constructed buildings and all transferred buildings in very high fire hazard severity zones to comply with the building standards.

AB 65 (Petrie-Norris) Coastal Protection: climate adaption: project prioritization

The bill would require specified things of the State Coastal Conservancy when it allocates any funding appropriated pursuant to The California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act of 2018, including that it prioritize projects that use natural infrastructure to help adapt to climate change. The bill would require the conservancy to provide information to the Office of Planning and Research on any projects funded pursuant to the above provision to be considered for inclusion into the clearinghouse for climate adaption information.

AB 65 invests in Green Infrastructure along the coast to improve climate change adaptation and combat sea-level rise. This bill would allocate \$40 million of Proposition 68 funding for this

purpose, authorizing the State Coastal Conservancy to prioritize different projects that meet specified criteria. This standard includes projects that use Green Infrastructure; provide multiple benefits, including, but not limited to, protection of communities, natural resources and recreational opportunities; and give consideration to projects in a variety of ecosystems along the state's coastline. Increased vegetation along the coasts can protect eroding marsh edges and mitigate sea-level rise, which is crucial to protect these communities.

ACA 1 (Aguiar-Curry) Local government financing: affordable housing and public infrastructure: voter approval

The California Constitution prohibits the ad valorem tax rate on real property from exceeding 1% of the full cash value of the property, subject to certain exceptions. This measure would create an additional exception to the 1% limit that would authorize a city, county, or city and county to levy an ad valorem tax to service bonded indebtedness incurred to fund the construction, reconstruction, rehabilitation, or replacement of public infrastructure or affordable housing, if the proposition proposing that tax is approved by 55% of the voters of the city, county, or city and county, as applicable, and the proposition includes specified accountability requirements.

SB 4 (McGuire) Housing

Under current law, various agencies administer programs to preserve and expand safe and affordable housing opportunities and promote sound community growth. This bill would state the intent of the Legislature to enact legislation that would limit restrictive local land use policies and legislation that would encourage increased housing development near transit and job centers, in a manner that ensures that every jurisdiction contributes its fair share to a housing solution, while acknowledging relevant differences among communities. This is currently a spot bill.

SB 45 (Allen) Wildfire, Drought, and Flood Protection Bond Act of 2020

This bill would enact the Wildfire, Drought, and Flood Protection Bond Act of 2020, which, if approved by the voters, would authorize the issuance of bonds in an unspecified amount pursuant to the State General Obligation Bond Law to finance projects to restore fire damaged areas, reduce wildfire risk, create healthy forest and watersheds, reduce climate impacts on urban areas and vulnerable populations, protect water supply and water quality, protect rivers, lakes, and streams, reduce flood risk, protect fish and wildlife from climate impacts, improve climate resilience of agricultural lands, and protect coastal lands and resources.

SB 50 (Wiener) Planning and zoning: housing development: equitable communities incentive

This bill would require a city, county, or city and county to grant upon request an equitable communities incentive when a development proponent seeks and agrees to construct a residential development, as defined, that satisfies specified criteria, including, among other things, that the residential development is either a job-rich housing project or a transit-rich housing project, as those terms are defined; the site does not contain, or has not contained, housing occupied by tenants or accommodations withdrawn from rent or lease in accordance with specified law within specified time periods; and the residential development complies with specified additional requirements under existing law.

SB 51 (Hertzberg) Financial institutions: cannabis

This bill would create the Cannabis Limited Charter Banking and Credit Union Law, to be administered by the Commissioner of Business Oversight and the Department of Business Oversight. The bill would create the Cannabis Limited Charter Bank and Credit Union Advisory Board and specify its composition, to include the Treasurer, the Controller, and the Chief of the Bureau of Cannabis Control, and commit to it the general responsibility for ensuring that this law functions in a safe and efficient way.

SB 54 (Allen) Single-use plastic waste: reduction

The California Integrated Waste Management Act of 1989, administered by the Department of Resources Recycling and Recovery, generally regulates the disposal, management, and recycling of solid waste, including, among other solid waste, single-use plastic straws. This bill would state the intent of the Legislature to enact legislation that would significantly reduce the amount of single-use plastic waste entering California's waste stream, polluting our oceans, littering our local communities and beaches, and costing local governments millions of dollars in cleanup costs. This is currently a spot bill.

SB 160 (Jackson) Emergency Services: cultural competence

Current law defines the terms "political subdivision" and "emergency plans" for purposes of emergency services provided by local governments. Current law requires a county, upon the next update to its emergency plan, to integrate access and functional needs into its emergency plan, as specified. This bill would require a county to integrate cultural competence, as defined, into its emergency plan, upon the next update to its emergency plan, as specified.

Conclusion

The 2019-20 Session reconvened on January 7th and has sworn in the new Governor Gavin Newsom as California's 40th Governor. The last day for bills to be introduced is February 22nd. Most bills will be introduced on deadline week and must be in print for 30 days before being heard in policy committees. Legislators will travel back to their districts for a week during the Spring Legislative Recess on April 11th, and will reconvene on April 22nd. April 26th will be the last day for policy committees to hear and report to the fiscal committees the fiscal bills that are introduced in the house of origin, while May 3rd will be the last day for policy committees to hear and report to the Floor the non-fiscal bills that are introduced in the house of origin.

Meanwhile in February, the Legislature will be holding several hearings on budget items, and after will be breaking off into subcommittee hearings in March in order to discuss budget proposals, leaving most items open for discussion while they wait for the Department of Finance and the Administration to issue the May Revise, which will be in Mid-May. The budget subcommittees will then meet after the May Revise is issued to make decisions and then the budget conference committee will be meeting to adopt the budget by the June 15th deadline.

We look forward to discussing priorities in the Legislature and the budget as bills continue to get introduced. We will continue to work with staff 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.

